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# DISTRIBUTION AND WAREHOUSING



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## N. F. W. A. Holds Constructive Meeting at Del Monte, California

*Delegates to Ninth Annual Convention Adopt Resolutions Covering Legal Clearing House; Insurance of Members' Advanced Charges; Standardization of Fireproof Warehouse; Depreciation for Income Tax Purposes; Arbitration; Surplus Storage Space, and Other Problems. James F. Keenan, Pittsburgh, Is Elected President*

By KENT B. STILES

**D**EL MONTE, CAL., Jan. 22—(By Air Mail).—After five active days of business and recreation in one of the garden spots of California, the National Furniture Warehousemen's Association this noon brought to a close its ninth annual convention at the Hotel Del Monte here.

In a setting of palms and firs and roses, with warm sunshine on three of the days, nearly 300 members and guests were present from thirty-two States, the District of Columbia, Honolulu and Vancouver and Winnipeg, and the meeting went down into the storage industry's history as another constructive one by reason of the resolutions which the delegates adopted in further formulating the association's policies and standards.

### The Elections

**JAMES F. KEENAN**, Pittsburgh, in recent years the association's treasurer, and who is a past president of the American Warehousemen's Association, was elected the

National's highest officer—the sixth man to hold the position.

**William I. Ford**, Dallas, the retiring president, was chosen a director.

**Charles S. Morris**, New York, another past president, was elected treasurer.

The board of directors admitted seventeen more companies into the organization's ranks, and today the membership numbers 889 firms—a net gain of 47 during the past year.

In this article, sent from the Pacific Coast to New York by a means of transportation which was but in its infancy when warehousing's junior national body was formed in the summer of 1920, is presented just as a summarized account of what has been accomplished here. A more detailed story of this winter assembly will appear in the March issue of *Distribution and Warehousing*.

The high lights of the Del Monte convention are as follows:

**Ralph J. Wood**, Chicago, was returned to the secretaryship—the office which he has held since the National was organized.

A list of the officers and directors elected here will be found on page 9.

**Legal**

**T**HE board of directors was authorized to create a committee whose duty it will be to provide a plan for establishing a "clearing house" which will correlate, for the benefit of members' attorneys, all court decisions affecting furniture warehouses and their operations in the storage business and as motor truck carriers.

As was pointed out by President Ford and the legislative committee's chairman, Oscar W. Kreutzer, Milwaukee, the association's members could turn to such a "clearing house" for legal advice, such guidance being needed because court decisions in one State are so often used as precedents in other States, and it was considered essential, for the industry's protection, that all such rulings should be made available to the attorneys of the individual companies.

This idea of a "clearing house" is not a new one. It has been suggested in legislative committee reports in the past but has never advanced beyond the discussion stage. This year Mr. Kreutzer, in his report, asked that the necessary machinery be put into operation, and on motion by Julian M. Gibson, St. Louis, the convention indorsed the plan and referred it to the directors with instructions to work toward the establishment of a legal bureau. The special committee will prepare findings and present them at a future meeting.

**Insurance**

**T**HE delegates adopted, on motion by L. H. Tanner, Detroit, a plan which, approved at the October meeting of the board of directors, provides for insuring members' advanced charges collected by other members. As explained in an outline from the directors:

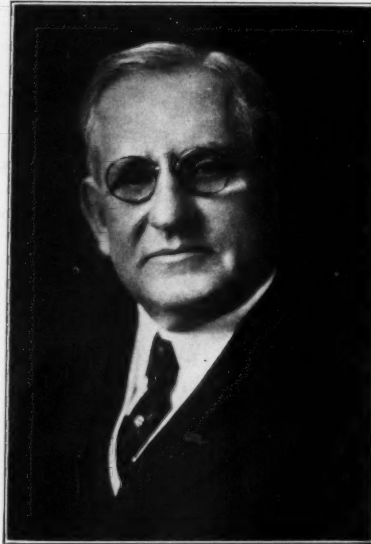
"This fidelity insurance is to cover the remote cases where a member collecting advance charges may become financially embarrassed and fail or be unable to remit charges collected on behalf of the forwarding member.

"This insurance does not constitute a guarantee to be responsible for collection or remittance of members' advance charges. It is merely a plan of fidelity insurance and protects members to the extent outlined in this plan."

Under the plan a fund will be set up for the purpose of insuring members against losses on charges advanced for freight, current packing, storage and hauling charges, not to exceed the sum of \$300 on any single

shipment, or aggregate of claims of a member against another member not to exceed \$500.

The outline presented by the directors sets forth in detail the plan of operation of this reserve fund which, amounting to \$5,000 at the

**James F. Keenan**

*Elected the new president of the National Furniture Warehousemen's Association, this Pittsburgh storage executive is the sixth man thus honored by the industry's younger trade organization*

start, will be known as "The National Furniture Warehousemen's Insurance Fund."

The convention gave its approval to the proposed regulations of the National Board of Fire Underwriters for "Standard Domestic Furniture Warehouse Construction," the standard being presented by Charles S. Morris, New York, as chairman of the insurance committee, after having been prepared under the supervision of Howard S. Tierney, New York, of the insurance firm of Cass, Tierney & Johansing.

This standard, to be as nearly as possible approached by the household goods warehouseman erecting a new building, is being sent by the underwriters' board to all interested parties, and Mr. Tierney announced that a suggested uniform rating for fireproof warehouses would be presented at the next N. F. W. A. convention.

Cass, Tierney & Johansing announced new features and important changes in the firm's multiple line policy which, providing transit insurance, is now being used by more

than half the National's members. The policy has been in use about four years, during which some 6000 claims have been paid under its terms.

The features and changes were explained by F. B. Cramer, Los Angeles, representing the firm, after which Mr. Morris informed the delegates that while some of the changes were satisfactory, others did not have his committee's recommendation and he opposed unqualified indorsement of the plan as a whole.

A. C. Cresto, Kansas City, moved that Cass, Tierney & Johansing be permitted to sell its multiple line policy to such members as wished to purchase it. A motion by Mr. Tanner to lay the situation on the table was defeated by a vote of 34 to 32, and Mr. Cresto's motion was then carried.

On behalf of Buell G. Miller, Philadelphia, as chairman of the committee on industrial relations, a plan of group life insurance was presented. On motion by H. H. Hardy, Lansing, Mich., it was referred to the board of directors.

During discussion of this subject a show of hands indicated about fifteen companies already carrying such coverage, with the majority of the others interested in the idea of a group plan sponsored by the National. President Ford commented that the association's 889 members had an average of thirty employees—more than 26,500 in all.

**Warehouse Construction**

**A**S chairman of the committee on warehouse construction and operation, John G. Neeser, New York, presented figures showing that some fifty or sixty companies constructed fireproof depositories in 1928 or were now building or planning to build, and said that reports indicated that most of the larger cities were now "well provided" with such plants.

Henry M. Burgeson, Los Angeles, declaring there was an over-supply of storage space, suggested that the N. F. W. A. "take stock of what's going on" and consider the advisability of commission control in the various States as a means of compelling convenience and necessity as bases for new construction.

"Better to have State control than sit back and take loss of profit year after year because of competition," he urged.

Mr. Burgeson moved that a committee be created by the board of directors to study the problem of State control with relation to necessity and convenience, and the convention adopted the motion.



### Arbitration

THE arbitration committee's chairman, F. L. Bateman, Chicago, outlined the work of the American Arbitration Association in working toward settlement of commercial disputes without resort to the courts, and announced that the National's board of directors had at one of its Del Monte sessions approved the arbitration association's draft of a proposed law for the various States.\*

Mr. Bateman said he believed that the National's members would benefit by making use of the arbitration machinery when all the States had enacted the proposed bill.

### Depreciation

ON behalf of C. W. Pimper, Washington, D. C., as chairman of the committee on depreciation which is working in cooperation with similar committees of the merchandise and cold storage divisions of the American Warehousemen's Association, Mr. Neeser, a member of the N. F. W. A. committee, presented a "Standardization of Depreciation Allowances for Income Tax Purposes" as worked out by the three committees.

This standardization will, when completed, be presented to the United States Treasury Department, which is expected to approve it, and thereafter it will serve as a guide to warehousemen in preparing their Federal income tax reports.

The Pimper report presented a list of appreciable assets and their average useful years of life, together with the consequent depreciation allowances. It covered buildings, docks, wharves, piers, railroad tracks, all kinds of equipment within warehouses and power houses and power-house equipment.

The committee asked for approval which was given by the convention after discussion had pointed the way toward incorporation of other features—notably, obsolescence, and depreciation on rooms—and Mr. Ford said that the Pimper committee would continue to work with the two A. W. A. committees in completing the standardization for presentation to the Government.

### Code of Practice

A PROPOSED Code of Practice rule, which would be No. 11 of Section 3, was suggested by the code of practice committee, headed by Sidney S. David, Chicago, to the effect that it would be considered un-

\*A book prepared by the American Arbitration Association is available thru DISTRIBUTION AND WAREHOUSING—See page 61.

ethical for an N. F. W. A. member to remove goods from another member's warehouse for packing unless such removal was necessary because of unusual conditions, and then only if the removal should have "the approval of all parties" concerned.

There was some opposition to adoption of the rule at this time, and

### Results of the N. F. W. A. Elections

AT the Del Monte convention in January the National Furniture Warehousemen's Association elected officers and directors as follows:

President, James P. Keenan, president Haugh & Keenan Storage & Transfer Co., Pittsburgh.

Eastern divisional vice-president, C. J. Hamilton, president Security Storage Co., Inc., Baltimore.

Central divisional vice-president, Sidney S. David, vice-president David Fireproof Storage Warehouses, Chicago.

Southern divisional vice-president, James A. Walker, president O. K. Storage & Transfer Co., Memphis.

Western divisional vice-president, Malcolm A. Keyser, president M. A. Keyser Fireproof Storage Co., Salt Lake City, Utah.

Secretary, Ralph J. Wood, president Lincoln Warehouse & Van Co., Chicago.

Treasurer, Charles S. Morris, president Metropolitan Fireproof Warehouse, Inc., New York City.

Directors each for three years: William I. Ford, president Interstate Fireproof Storage & Transfer Co., Dallas; Joseph W. Glenn, of O. J. Glenn & Son, Buffalo; George A. Rutherford, president Lincoln Storage Co., Cleveland; F. M. Brock, Glendale, Cal., manager for Lyon Van & Storage Co., Los Angeles.

it was voted to refer it to the board of directors for possible action at the association's next winter meeting.

### Long Distance Removals

THE development of the Allied Van Lines, Inc., the National's inter-city removals agency, was covered in a telegram from Martin H. Kennelly, Chicago, president of AVL, Inc., and chairman of the association's committee handling the situation, and in a report by Henry Reimers, Chicago, general manager of AVL, Inc., and executive secretary of the association.

Mr. Kennelly in his wire said that

the agency now had 206 hauling and non-hauling agents in twenty-two States, with about sixty vans painted in conformance with AVL, Inc., colors, and with offices opened in seven cities. The central and eastern divisions had tariffs in operation and others were being prepared, he pointed out, and AVL, Inc., was not a million-dollar corporation with only nominal capital having been invested.

Mr. Reimers reviewed AVL, Inc.'s, growth and outlined the purposes and plans, and announced that since Aug. 1, or in five months, the members in the central and eastern divisions had done a gross long distance removals business exceeding \$380,000.

### Chicago in 1933

SPEAKING as a trustee of the centennial world's fair which Chicago is planning to stage in 1933, F. L. Bateman of that city, explained that it was purposed that various industries should have exhibits, and he extended an invitation to the N. F. W. A. to take some part in the exposition. He gave Mr. Reimers credit for the idea that plans be made for warehousing to be properly represented.

President Ford commented that 1933 was not too far away for the association to give consideration to Mr. Bateman's thoughts.

Mr. Bateman moved that the idea be referred to the board of directors looking to the preparation of some plan for the association's participation, and the convention adopted this motion.

### Nominating Committee

AN important feature of each annual meeting of the National is the election of a committee to nominate officers and directors to be chosen at the following year's convention.

At Del Monte three men were nominated for the chairmanship, four representing the southern division, three representing the western division, four representing the central division and four representing the eastern division. Approximately 130 ballots were cast, and the following executives were elected as members of the committee to prepare a slate for the association's consideration next year:

Chairman, Oscar W. Kreutzer, Milwaukee; southern division, Benjamin S. Hurwitz, Houston; western division, Merle E. Turner, Los Angeles; central division, Joseph H. Meyer, Chicago; eastern division, C. Van Wyck Mott, Washington, D. C.

# DISTRIBUTION

## Its Economic Relation to Public Warehousing

### Number 47

## Developments in Inland Waterway Transportation Economies in Use of Barge Lines

By H. A. HARING

THE last annual report of the chairman of the Inland Waterways Corporation opens with the sub-title "Noah, the Original Waterway Man." Of that patriarch the report states:

"The original, ardent, dyed-in-the-wool advocate of water transportation was Noah; the prototype of the modern barge was the Ark, and the first satisfactory terminal was Mount Ararat.

"Noah was a common carrier. He advertised that he would sail at a certain date and carry certain communities, and he did. Like his descendants who advocate the full utilization of water as a means of transport, Noah was sneered at, opposed, and accused of being a one-ideal man; in other words, a nut."

From the time Noah laid the keel of his Ark until the floodgates of heaven were opened and the rains descended, he was surrounded by wise men who counseled him:

"See here, Old Top, you're never going to need this

thing, even if it does float." "How are you going to steer it?" "Where are you going?" "What was good enough for our fathers should be all right for you." "Stop spending your money and wasting your time over something which, at best, is only an experiment and never will be need anyhow!" "Take our advice, old man, and quit while the quitting is good!"

But Noah kept hammering away. He didn't know where he was going, but he did know there was a need of water transportation, and he was right.

And, from that time to this, thousands of years, every man who throws himself whole-heartedly into the struggle for inland waterways faces the same objections and the same opposition that Noah did.

From economic developments of the past ten years, in the United States, it would finally appear that belief in water transportation is again to be justified.

#### Low Cost of Water Freight

ROUGH, but very useful, comparison of the cost of freight transportation over relative routes has been made by the Army engineering staff. It shows that, for a cost of \$1, a ton of freight may be carried:

By horse and wagon.....	4 miles
By motor truck.....	25 miles
By rail.....	100 miles
By water.....	300 to 3000 miles

In the light of these ratios, the potentialities for water-borne commerce are startling.

In the relentless effort to cut costs, our river traffic is growing enormously.

The Monongahela, tapping the coal fields of West Virginia and serving the great industrial area of Pittsburgh where it flows into the Ohio, has become one of the busiest rivers of the world. Its freight movement has increased 10-15 per cent per year for each of the past five or six years.

The Ohio, 967 miles long and navigable from end to end, carries six times as much freight as the Monongahela—this, too, in spite of numerous shallow spots that prevent movement at some seasons of low water.

The freight rate for inland waterways, as authorized by the Interstate Commerce Commission, is 20 per cent lower than the competing rail rate. These lower rates are, quite naturally, the goal sought by agricultural and industrial interests of the interior of the United States. The products of the Middle West suffer a higher freight toll than competing products anywhere else in the world. It is the feeling in that region that development has been retarded, and buying power slackened, by the burden of high freight rates that the region is obliged to carry.

The Panama Canal and the freight rate advances of the past ten years have forced a disadvantage upon the

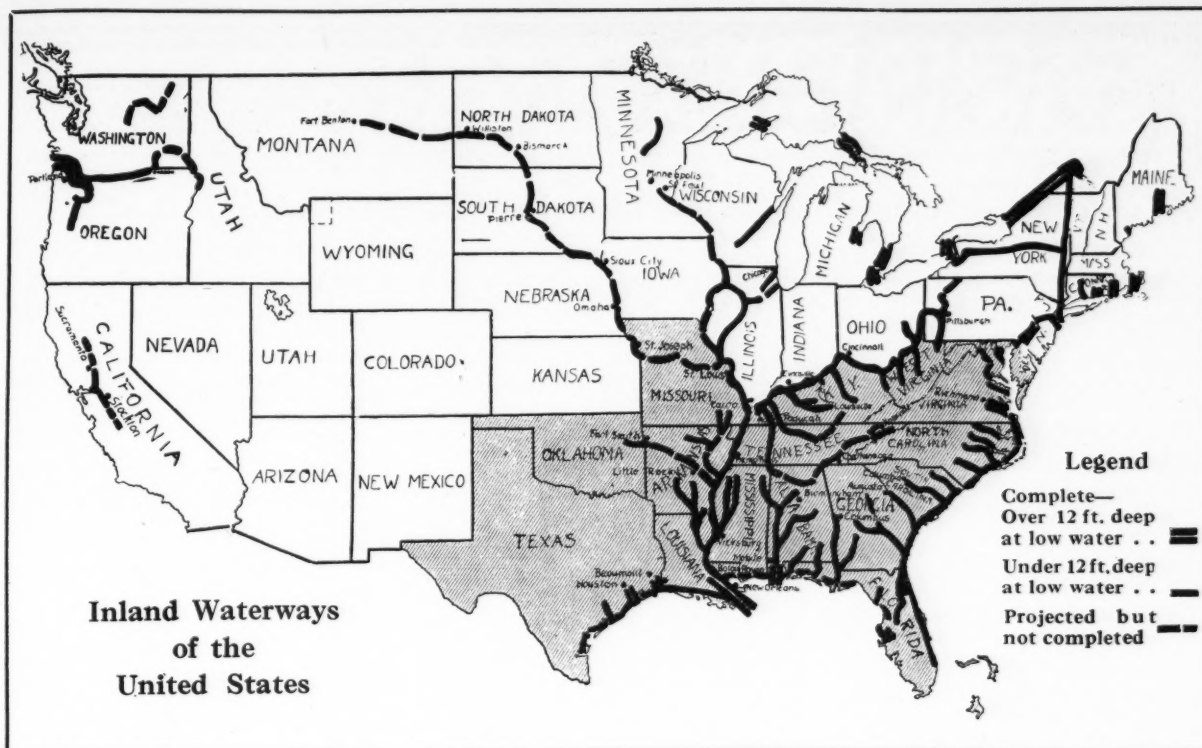
Middle West. Graphically to illustrate them, Herbert Hoover once uttered the statement:

"Before the war, New York was 1904 cents away from San Francisco, while now it is only 1680 cents away. But Chicago, which was 2610 cents away from the Pacific Coast before the war, is now 2946 cents away. In other words, Chicago has moved 336 cents further away from the Pacific Coast in freight costs while New York has been moved 224 cents closer.

"A similar calculation will show that in the same period Chicago has been moved 594 cents farther away from the Atlantic seaboard and from all South America. The same ratio applies generally throughout the Middle West."

It was this fact that caused Mr. Hoover to say:

"If we were to make a survey of the many great opportunities for progress that lie before us as a nation, the de-



—From the Manufacturer's Record.

velopment of our inland waterways would stand in the forefront."

#### Extent of Inland Waterways

ON the accompanying map is shown the scheme of inland waterways of the United States, as now constructed and as projected by Congress.

The gradual development of the upper Mississippi and the Missouri for barge navigation has been authorized, as well as the linking of Chicago and the Gulf by means of the Illinois River and the Hennepin Canal. The completion of two more dams on the Ohio will mean that that river has been fully canalized, thus enabling year-round use from Pittsburgh to the Gulf.

But these preparations do not make it certain that a waterways system of transportation will be available to the land-locked and rate-handicapped Middle West. A navigable channel is not a guaranty of water transportation service. Fleets of barges and towboats in service as common carriers must follow. The river service must be properly coordinated. There must be free movement from one stream to another. Joint rail and water rates, allowing the interchange of traffic from one to the other on a fair basis of division, is a vital necessity.

In fact, this last named condition is the crux of barge transportation. Without such protection to the barge companies, our river transportation will be throttled exactly as it has been for the past forty or fifty years.

#### Railways Contrasted with Waterways

THE very nature of railways brings them into competition with inland waterways. The main features of con-

THE Inland Waterways Corporation operated at a net profit of \$268,500 during the past year, according to Dwight F. Davis, Secretary of War.

The lower Mississippi carried the cost of the upper Mississippi and the Warrior River. The net income from the lower Mississippi was \$566,000, while the net loss from the Warrior division and terminal was \$88,500 and from the upper Mississippi \$209,000. The loss on the Warrior River is decreasing, however; it was \$194,000 the previous year as compared with \$88,500 last year.

In recent weeks a joint committee of railroad representatives and barge line officers have been meeting to work out joint routes, rates and divisions for hauling freight over both the railroads and the waterways, in an effort to avoid what might be long and expensive Court litigation, and if this committee is successful in its undertaking, according to Secretary Davis, it will be "the biggest step forward in inland waterway transportation" in the country's history.

trast between the two are here outlined:

1. The railroad is able to lay its course to suit the location of the resources to be tapped and the industrial centers to be served. This flexibility is highly important for the growth of the country. In contrast, many rivers, once busy channels of trade, are no longer used for traffic because the forests or minerals have been depleted.

2. The standardization of gage and equipment, the building of belt lines and their switching arrangements, yield an economy and an ease of operation for the railroads that is unattainable by water. The size of this country, together with its diversity of industry, puts a premium on that system of transportation which offers through service from all points to all points. It is hard, also, to overcome the expense and delay, the risk of damage and the possible pilferage that accompany trans-shipment from rail to water or the reverse.

3. Railroads can eliminate trucking by the building of spur tracks and sidings, whereas with water transportation all goods must be rehandled from wharf to industrial plant.

4. Railways move goods more speedily than water carriers, and this speed is relatively greater when the water movement is over winding and narrow rivers. This difference, in the United States, has taken off the rivers all high-value goods for long distance shipment.

5. River traffic is subject to suspension during the winter in the northern States. The New York State Canal operates an



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average of 214 days a year; the Mississippi is closed north of Cairo for about the same length of time, etc. Shippers do not like to change from one route to another, and, unless strong inducements are offered, they prefer to patronize that route which offers uninterrupted service throughout the year.

6. Railroads can alter the length of trains to suit the load, whereas the cost of boat operation is less subject to control and is economical only when full cargoes are available.

7. The risk of rail shipment is less than of water shipment. Furthermore, in rail shipment, all risk is assumed by the carrier; with water shipment, special insurance is usually required.

In the past the railroads have not hesitated to strangle water competition wherever they could. They have:

- A. Cut rates so as to bankrupt water carriers.
- B. Refused to cooperate in through rates.
- C. Obtained control of arge terminals and wharfs.
- D. Operated competing boat lines.
- E. Purchased canals, wharves, terminals, etc., so as to exclude use of water routes.

In this manner such water routes as have continued to exist for inland traffic have carried chiefly bulk freight, such as coal and ore, petroleum and lumber, sugar and cotton, pig iron and newsprint paper.

The advantages of rail haulage, added to the aggressive hindrance of water commerce by the railroad companies, have retarded development of our inland waterways. So extensive has been this throttling that ordinary traffic management has taken no account of water movement for the usual commodities of manufactured goods.

### Changes Ahead

**F**UNDAMENTAL changes lie ahead. Indeed they have been upon us for several years.

Most important of these changes is the new sentiment of railroad managers. They are now evincing a disposition to cooperate in establishing joint rail and water rates. Since 1924 a vast change has become apparent, the evidence of which is the large number of rates filed for rail and water interchange. With the Inland Waterways Corporation, for instance, 165 railroads have filed rail-and-water rates.

An act of Congress, during 1928, known as the Denison Bill, now compels "reciprocity in rail and water rates." The Government is, therefore, finally trying to move traffic over the inland waterways, for which millions have been

expended in "improvements" without benefiting the freight movement of the country. For, as already stated, an inland waterway does no good unless boat lines operate regularly for shipment of goods.

At one time in our history immense subsidies were granted to the railroad builders in order to develop the interior of our country. The present sentiment is to remove the handicap of a single type of transportation, the railroads, by developing inland waterway movement.

Thus the handicap of high freight rates, that has brought loss to a large central portion of the United States, bids fair to disappear.

Gradually, too, the railroads' weighing and inspecting bureaus are performing the same service for the barge lines that they do for the railroads. This condition has greatly improved relations with the public and with the railroads. As an illustration of what is now available it is learned from an advertisement that the Mississippi-Warrior barge service, in cooperation with the railroads, is able to offer:

1. Rates between New Orleans, Memphis, Cairo and St. Louis approximately 20 per cent less than all-rail rates.
2. Corresponding savings for each 100 pounds of freight to and from sixteen interior States.
3. Similar rates, 20 per cent under all-rail, from Mobile to points in Alabama, Florida, Georgia, Mississippi and Tennessee via Birmingham.
4. Universal through bills-of-lading, with freight fully insured.
5. Sailings of barges from each terminal every five days; on the Mississippi twice each week.
6. Mississippi division: Downstream schedule, St. Louis to New Orleans, average, 10 days; Up stream schedule, New Orleans to St. Louis, average, 17 days.

7. Warrior division: New Orleans to Mobile, approximately 2 days; to Demopolis, 3 days; to Tuscaloosa, 4 days; to Cordova and Birmingham, 5 days.

During 1928 service from New Orleans to Minneapolis was in effect. This has given new impetus to barge shipments to and from all the cities lying between St. Louis and the Twin Cities. Two sailings a week have been so popular that the railroads from Chicago, for example, now operate merchandise cars out of Chicago twice a week to connect with these sailings at Dubuque. The barge lines themselves have increased their barges, per trip, from two to seven. Each barge holds about the contents of 35 freight cars a good trainload to one barge.

The rates are so favorable that goods move from Indianapolis by rail to the Mississippi River at Dubuque and thence to Minneapolis by barge at less than the all-rail rate.

### Commodities

**M**ORE than 800 commodities thus moved during 1928. The principal ones southbound have been officially stated to be:

Iron and steel of all sorts both finished and semi-finished	Roofing
Canned goods	Ammunition
Preserves	Hardware of all sorts
Bags	Wall paper
Condensed milk	Wire fencing
Newsprint paper	Barrels, Kegs, Casks
Agricultural machinery	Baking powder
Household refrigerators	Ginger ale
Paint and varnish	Earthenware
Washing machines	Beans
Books	Grain
Leather	Grave vaults
Tin cans	Pipe
Automobiles	Matches
Linseed oil	Typewriters
Corn syrup	Adding machines
Printers' ink	Tires
Bottle caps	Soap
Toys	Lard
Photographs	Office furniture
Paper	Household furniture
Bottles	Radio cabinets
Glass	Radiators and heating equipment
	Tractors
	Yeast
	Extracts

Shipments north-bound consist more of bulky commodities, in conformity with the rail movement in the same direction, the commodity classification being determined by the fact that northward movement is largely that of raw materials. The barges have carried principally:

Sugar	Lampblack from Europe
Coffee	Pickles
Manganese ore	Stationery
Bauxite ore	Drugs and chemicals
Sisal	Raw hides
Binder twine	Lumber
Canned goods, from the Pacific Coast	Oyster shells
Pigments for paint-making	Molasses
Coccanuts	Burlap
Seeds	Nitrate of soda
Cotton	Rags
	Rice

### Savings in Freight

**I**T is hardly necessary to state that freight charges are less than for an all-rail movement.

A manufacturing company of Alabama owns its own mines in that State for a certain ore. Yet it is able to buy the ore in Sweden, transport it by sea and inland barge to the mill, for less cost than to mine its own ore and ship by rail to the mill.

The Aluminum Ore Co. of St. Louis, owning its own bauxite mines in Arizona, saves money by bringing ore from Guiana by ship, and barge to St. Louis, rather than to mine and ship from its mines in this country.

The barge lines threaten to upset the shoe-manufacturing industry of the whole country, not because of shoes but because of the leather from which they are made. Our great tanneries are now located (1) on the seaboard and (2)

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near Chicago. Untanned hides come from South America and from the packing center at Chicago. But the consumption of leather is greatest in the East, and, secondly, in the St. Louis region. With, however, the development of barge service over inland waterways it is quite possible that tanneries may spring up in the Mississippi Valley, closer to the shoe-makers, and thus save the industry the duplication of freight charges for its raw material.

A second large use of leather is harness-making—another industry that has rapidly moved westward and southward and which may be yet more firmly located in those sections if leather-making also should shift.

### Seagoing Barges

**E**VERY industry that uses barges on inland waterways has faced the problem: Is it not possible to design a barge for both sea and river use?

The river barge must not "draw" a great depth of water. Eight feet is the maximum, and even an eight-foot barge is a dangerous boat to navigate at times of low water, for, at such times, sand banks and hidden irregularities of the stream bed become perils. Eighteen inches clearance, beyond the rated draft, is required for safe operation of the wheel or propeller.

Barges are of two general types—those to be towed and those of self-propulsion. The latter have come to be known as motor-barges. In capacity, barges are hardly economical if they carry less than 500 or 600 tons of freight; few of them exceed 1000 tons of capacity. Above that size they become impossible to handle through shallow water and around the sharp turns of winding rivers.

Normally, barges of the towing type are towed in groups of two to ten. On the Hudson River often as many as twenty will be seen in a single "tow." Motor-barges, of course, operate singly, under their own power.

Freight is carried by barges from the New York waterfront up the Hudson to Albany-Troy, thence via the Erie Canal to Buffalo. But, at that point it is necessary to transfer the cargo to other vessels for transshipment over the Lakes. Likewise, barges are used on the Mississippi to New Orleans but the cargoes must be rehandled for shipment to Panama or to Galveston-Houston destinations. Barges of the ordinary type, in a word, cannot be operated over the Great Lakes or the ocean.

The reason is simple. On the Lakes, as on the seas, winds are more dangerous, waves are higher, the "rolls of the sea" engulf the barge. Barges break loose from their tow-boats; barges even break in two; waves rise over their tops

and overturn them. Nothing but disaster has followed the effort to use ordinary barges for other than river traffic.

In this way one of the most obvious of the economies of inland waterways proves to be impossible.

The past two or three years have, however, brought the first solution to this problem. A subsidiary of the Steel Corporation, the Tennessee Coal & Iron Co., has been a large user of barges on the rivers of the southern States, and their engineers have given much thought to a barge so designed that it could be used for both river and Gulf transportation. For two years now they have been operating a small group of sea-going barges between Birmingham and Galveston-Houston, carrying manufactured steel products to Texas and bringing back sulphur from Texas. They also carry iron ore up-stream to Birmingham mills.

These barges are privately owned. They are not available for the public's freight.

A similar development has come in the North. The Detroit automobile makers are such large shippers of freight to the New York waterfront for export that they have developed a type of motor-barge which has been in successful service between Detroit and New York for two seasons. At the present time two barge corporations operate, during the season of open navigation, between those two cities. Their East-bound freight consists exclusively of automobiles packed for export. Not only are these barges loaded below decks but their decks also are piled with the familiar automobile case for export. The barges may be identified at the Niagara frontier, on the Hudson, and in New York Harbor, by these well-known packing cases.

For return load, these barges have entered the general freighting business. They will carry 1,200 tons, but, in order to conserve time loading and unloading, they refuse cargo in units of less than 500 tons. Of such cargo they carry sugar, canned goods, imported steel for the Detroit factories, crude rubber to Cleveland for rail shipment to Akron, newsprint paper and wrapping paper.

In both these instances the sea-going barges are built of steel. Rather than being of the square-end design of river barges, they are slender after the pattern of ore-boats on the Great Lakes, although far smaller, as befits their use in the Erie Canal and the rivers.

They do, however, sign-post the next development in barge shipping. When they have been generally adopted, the barge service of rivers flowing into Chesapeake, for instance, will be extended in ocean service to New England, where they will go up the rivers to inland ports; or barges from the Great Lakes, coming down the Erie Canal and

down the Hudson, will continue their trip to New England cities; or those of the rivers flowing into the Gulf will traverse the blue waters of the Gulf and enter other rivers.

Thus will be inaugurated a complete inland waterways service of far more general use than anything we have dreamed of having in the past.

### A Traffic Opportunity

**T**RAFFIC management has recently been terribly complicated by trucking which all over the country has sprung up for short-haul business. For expedition, often for lessening costs, the truck has supplanted local railroad service.

Now, at the other extreme of freight, for quantities of large bulk, is developing the inland waterway routing.

Waterway transportation suffers several handicaps, as contrasted with all-rail haulage, but the inland routes of water do offer a lower cost for bulk movement, that cost being enough lower (20 per cent as a rule) that the slower movement is warranted for many commodities.

Pacific Coast canners, as one illustration, may now lay down their canned goods in the cities of the Great Lakes at 25 cents per 100 pounds less than the carload freight rate from the Coast to the same cities, if they are willing to ship them in quantities of 500 tons to New York by sea and thence by motor-barge to the Great Lakes. They can also reach the interior cities of the Mississippi Valley, as far north as the Twin Cities, by using the ocean to New Orleans and the river barge service thence to destination.

Manufacturers of other products are offered the same opportunity, either in the same or the reverse direction.

Practically all the steel manufacturers have already seized the inland barge services for cutting costs. Among others that are using barges very extensively are the automobile plants of Detroit, the rubber factories of Akron, the implement and agricultural machinery makers, the Chicago packing houses, and individual concerns such as these (although the list aims not at completeness, merely as a suggestion as to users).

All Steel Equipment Co.  
American Book Co.  
American Radiator Co.  
American Linseed Co.  
American Maize Co.  
Barrett & Co.  
Bemis Brothers Bag Co.  
Canada Dry Ginger Ale  
Caterpillar Tractor Co.  
Coca-Cola Co.  
Cyclone Fence Co.  
Federal Match Co.  
Fleischmann Co.  
General Chemical Co.  
H. J. Heinz Co.  
Keystone Steel & Wire Co.  
Premier Malt Co.  
Puritan Malt Co.  
W. T. Rawleigh Co.  
Standard Oil Co.

# The Uniform System of Accounts as Prescribed in California

by the State Railroad Commission for Merchandise Warehousemen  
Operating in Cities of 25,000 or More in Population

## Part II

### Balance Sheet Accounts

#### Asset Side

100. Warehouse property and equipment.
101. Other property.
102. Investment in securities.
103. Cash.
104. Special deposits.
105. Notes receivable.
106. Accounts receivable.
  1. Advance for customers.
  2. Due on storage charges.
  3. Other accounts receivable.
107. Materials and supplies.
108. Special funds.
109. Prepayments.
110. Treasury and reacquired securities.
111. Discount on capital stock.
112. Unamortized discount and expense on debt.
113. Other debit accounts.

#### Liability Side

150. Capital stock.
151. Premium on capital stock.
152. Assessment on capital stock.
153. Proprietor's account.
154. Long term debt.
155. Indebtedness due affiliated companies.
156. Notes payable.
157. Accounts payable.
158. Accrued liabilities not due.
159. Unamortized premium on debt.
160. Reserve for accrued depreciation.
161. Other reserves.
162. Other credit accounts.
163. Profit and loss balance.

#### Asset Side

100. *Warehouse Property and Equipment.* The amount to be included under this head in the balance sheet is the total of the balances in accounts 200 to 255, both inclusive, representing the cost at the date of such balance sheet of all property, tangible and intangible, used by the warehouseman in his public utility warehouse operations.

101. *Other Property.* This account shall include the cost of property, such as lands, buildings, plant and equipment, etc., not used in public utility warehouse operations.

102. *Investment in Securities.* This account shall include the cost of stocks,

As explained in the January issue of *Distribution and Warehousing*, a uniform system of keeping accounts and records was prescribed by the California Railroad Commission, effective Jan. 1, for commercial warehouse companies operating in cities having a population of 25,000 or more and subject to the provisions of the State's Public Utilities Act.

The Commission's directing order was unprecedented in the history of the public storage industry, and it is believed that the outcome will be watched with interest by warehouse executives all over the country.

The first part of the California system was published in the January issue. Part II, "Balance Sheet Accounts," appears in this February number. "Property and Equipment Accounts," will be found in the March issue.

bonds, mortgages and other evidences of indebtedness payable at more than one year after date, owed by the warehouseman. Do not include in this account unissued or treasury stock, bonds or other evidence of indebtedness of the accounting warehouseman, or any amounts due for services rendered.

This account shall be divided as follows: (a) stocks; (b) bonds; (c) notes; (d) other evidence of indebtedness.

103. *Cash.* This account shall include the amount of cash and other current funds on hand or on deposit in banks or with trust companies.

*Note: Funds deposited for paying interest coupons, declared dividends or for other special purposes, and not available for general use, should not be included in this account but in account 104, "Special Deposits."*

104. *Special Deposits.* This account shall include deposits to pay interest and dividends; cash realized from the sale of securities and deposited with trustees for disbursement when the pur-

poses for which the securities are sold are accomplished; amounts realized from the sale of property and deposited with trustees other than in sinking funds until the property is replaced; deposits for the payment of debts; money and securities deposited to secure the performance of contracts, and other deposits of a special nature not provided elsewhere.

105. *Notes Receivable.* This account shall include the ledger value of all notes, contracts, and other evidences of indebtedness due on or before one year after date. This account does not include interest coupons, or notes coming within the definition of "Investment in Securities," account 102.

106. *Accounts Receivable.* This account shall include the debit balance described under the following subheads:

(1) *Advances for customers.* All advances made by a warehouseman as freight advances or advances to get freight released from a common carrier.

(2) *Due on storage charges* other than advances for customers.

(3) All amounts, excluding those amounts covered by subheadings one and two (other than deposits in banks and freight advances) owing to the warehouseman upon open book accounts with solvent concerns and individuals; also the ledger value of all accounts and claims upon which responsibility is acknowledged by solvent concerns and individuals or which are sufficiently secured to be considered good, and of all judgments against such concerns and individuals where the judgment is not appealable or suspended through appeal.

107. *Materials and Supplies.* This account shall include the balances representing the cost of materials and supplies on hand, arrived at as follows:

Charge to this account the cost of materials and supplies purchased, including transportation and other charges. Charge also to this account, at salvage value, any materials recovered from plant retired and taken into store for future use or sale.

Materials and supplies taken out of store for use or sale shall be credited to this account at the value at which



such materials and supplies have been included herein.

108. *Special Funds.* This account shall include the cost or ledger value of securities and other assets which have been set apart and held in depreciation, sinking, insurance and other funds.

109. *Prepayments.* Charge to this account the amount of rents, taxes, licenses, insurance and other like expenses paid in advance of the period to which they apply. As the periods covered by such prepayments expire, credit this account and charge the proper operating expense or other accounts with the amount applicable to the period.

110. *Treasury and Reacquired Securities.* This account shall include the par value of securities which have been nominally but not actually issued by a warehouseman, also the par value of reacquired securities. Separate accounts shall be maintained for each class of capital stock such as common and preferred, and for each class of long term debt such as bonds and notes payable after one year of date of issue.

*Note: Capital stock is considered nominally issued when certificates are signed and sealed and placed with the proper officer for sale and delivery or pledged, or otherwise held within the control of the warehouseman. It is considered actually issued when it has been sold to a bona fide purchaser for a valuable consideration and such purchaser holds it free from all control of the accounting warehouseman.*

*Long term debt securities are considered to be nominally issued when certified by trustees and placed with the proper official for sale and delivery or pledged or otherwise held within the control of the company. They are considered to be actually issued when they have been sold to a bona fide purchaser for a valuable consideration and such purchaser holds them free from all control of the accounting warehouseman.*

111. *Discount on Capital Stock.* This account shall include the discount on capital stock issued or assumed by a warehouseman. By the term "discount" is meant the excess of the par value of stocks actually issued or assumed over the cash value of the consideration received from such stock. Separate accounts shall be maintained for the discount on each class of stock, such as common and preferred, and also for each issue of the same class if the terms are in any way different.

Entries in these accounts shall be carried therein until offset:

(1) By premium realized on subsequent sales of the same class of stock.

(2) By assessments levied on the stockholders.

(3) By appropriations from profit and loss for that purpose.

(4) By the difference between the par value of the same class of stock reacquired and the amount paid therefor, provided the amount paid is less than the par value.

*Note: The cash as received from stockholders in respect to assessments shall be credited to account 152, "Assessment on Capital Stock"; if the total received is less than the balance at the debit of discount account, the amount received shall be transferred to this account; if the total received is greater, the balance at debit of this account shall be transferred to account 152, "Assessment on Capital Stock."*

112. *Unamortized Discount and Ex-*

*pense on Debt.* This account shall include the discount on bonds and other evidence of indebtedness issued or assumed. This account shall also include the expense in connection with the issue and initial sale of evidence of debt, such as fees for drafting mortgages and trust deeds; cost of printing bonds, certificates of indebtedness and other commercial paper having a life of more than one year; fees paid trustees acting under mortgages and trust deeds in connection with the issue of bonds or other forms of debt. (Fees paid for services in connection with payment of interest or redemption of debt should be charged to operating expense account 645, "Corporation Expense.")

Ledger accounts shall be provided to cover discount and expenses for each class of debt, such as bonds, mortgages, notes, etc., and also for each issue of the same class, if the terms are in any way different. The total of the balances remaining shall be included in the balance sheet under this account.

Each month or year there shall be credited to this account and charged to income account 408, "Amortization of Debt Discount and Expense," a proportion of each of the debit balances in these accounts, such proportion to be based upon the ratio which such accounting period bears to the remaining life of the respective security.

If the accounting company desires, it may write off the debit balance in this account more rapidly than that stated above.

113. *Other Debit Accounts.* This account shall include all debits pertaining to the balance sheet which are not provided for elsewhere, including all debit items, the final disposition of which has not been determined.

*Note: The entries in this account shall be made in sufficient detail to permit an analysis in the reports to the Railroad Commission and, where necessary, separate sub-accounts shall be provided.*

#### Liability Side

150. *Capital Stock.* This account shall include the total par value (or, in the case of stocks having no par value, the money value of the consideration received), of certificates or receipts issued to represent permanent interests in the company, or interests which, if terminable, are so only at the option of the company.

The amounts included in this account shall be divided so as to show the par value of (1) certificates issued and actually outstanding, being those not held by the company, its agents or trustees, or subject to its control; and (2) certificates held in the company's treasury, including both those reacquired after actual issue and those nominally but never actually issued.

In stating this account on the balance sheet statement the par value of stock held by the company in its treasury shall be deducted.

*Note: If the warehouseman is not incorporated, but is an individual, firm, copartnership or association, the amount paid into the business by the owners shall be included in account 153, "Proprietor's Account."*

151. *Premium on Capital Stock.* This account shall include:

A. The excess of the actual money value (at the time of the issue of stock) of the consideration received, over the par value of capital stock issued.

B. The amount by which the face value of capital stock reacquired exceeds the amount paid therefor.

The entries in this account shall be carried therein until offset:

(1) By discount suffered on subsequent sales of the same class of stock.

(2) By the difference between the par value of the same class of stock reacquired and the amount paid therefor, provided the amount paid is in excess of par value.

(3) If the warehouseman elects and is permitted to distribute to its stockholders all or any portion of the premium on its capital stock, the amount shall be charged to this account.

152. *Assessment on Capital Stock.* This account shall include the amount received in respect of assessments levied on capital stock.

Entries in this account shall be carried therein until offset as set forth in account 111, "Discount on Capital Stock."

153. *Proprietor's Account.* This account shall be used instead of account 150, "Capital Stock," where the business is conducted by an individual, firm, copartnership or under any style other than a corporation, and shall include the amount paid into the business by the party or parties interested in the concern. If separate accounts are maintained for each of the parties interested, the total of the balances in such accounts shall be shown in one figure in the balance sheet.

154. *Long Term Debt.* This account shall include the total face value of all debt except indebtedness due affiliated companies (see account 155) which, by its terms, does not mature until more than one year after date of issue.

A separate account shall be kept for each class of debt and also for each issue of the same class, if the terms are in any way different. (For instructions relating to accounting for discount, expense and premium on debts, see general instructions.)

For each class of long-term debt the records shall show plainly (1) the par value of certificates or other evidences of debt issued and actually outstanding, being those not held by the warehouseman, its agents or trustees, or subject to its control, and (2) the par value of certificates or other evidences of debt pledged or unpledged, held in the warehouseman's treasury, held by its agents or trustees, or otherwise subject to its control, including both those reacquired after actual issue and those nominally but never actually issued.

155. *Indebtedness Due Affiliated Companies.* This account shall include the par value of non-negotiable notes due to affiliated companies, credit balances in open accounts with such companies other than credit balances in current accounts classable as current liabilities, and in-

terest accrued on notes and open accounts which are included in this account when such interest is not subject to current settlement. Two companies are affiliated if either one controls the policy of the other, or if both are subject to the same control.

This account shall be divided as follows:

- (a) Notes, including both time and demand notes.
- (b) Open accounts, not subject to current settlement.
- (c) Interest accrued on amounts included in this account when not subject to current settlement.

**156. Notes Payable.** This account shall include the balances representing outstanding obligations in the form of notes, drafts, acceptances, or other similar evidences of indebtedness payable on demand or within a period of time not exceeding one year from date of issue.

**157. Accounts Payable.** This account shall include the amount of audited vouchers or accounts and audited payrolls unpaid on the date of the balance sheet; also balances representing unclaimed wages and outstanding pay and time or discharge checks issued in payment of wages; open accounts with other warehousemen, except such as are

included under account 155, "*Indebtedness Due Affiliated Companies*," and similar items.

**158. Accrued Liabilities Not Due.** This account shall include all liabilities accrued at the date of the balance sheet but not due until after that date, such as interest, taxes, rents, etc.

The records should be kept in such manner as to permit of a ready analysis of this account so that a statement can be produced, if required, showing the amount accrued in respect of each of the classes of liability included in this account.

**159. Unamortized Premium on Debt.** Include under this caption the total of the net credit balances in the discount, expense and premium ledger accounts for the several classes of long-term debt, including receiver's certificates.

**160. Reserve for Accrued Depreciation.** Credit to this account the amounts which are charged monthly or annually to income account 407, "*Rent, Depreciation, Insurance, Taxes on Account of Depreciation*" or to operating expense account 624, "*Depreciation on Equipment*," as explained under "*Depreciation*" in section 7.

The amounts to be charged to this

account are explained under "*Property Retired*."

**161. Other Reserves.** This account shall also include all reserves other than the reserve for accrued depreciation.

*Note: The records shall be kept in such a manner as to permit of a ready analysis of this account, so that a statement showing the amount of the different reserves included therein, can be produced if required.*

**162. Other Credit Accounts.** This account shall include all credit and unadjusted credit items not provided for elsewhere.

*Note: The records shall be kept in such a manner so as to permit of a ready analysis of this account, so that a statement showing the amount of the different items included therein can readily be produced if required.*

**163. Profit and Loss—Balance.** Under this head on the balance sheet statement shall be shown the balance in the profit and loss statement. In case the profit and loss statement shows a debit balance it shall be entered on the balance sheet in red ink.

*Note: If the warehouseman is not incorporated but is an individual, firm, copartnership or association, the balance in the profit and loss account at the close of each fiscal period shall be transferred to, account 153, "Proprietor's Account."*

## Educating the Public to Visit the Household Goods Warehouse

By WILLIS H. PARKER

THE biggest menace to the warehouse company's efforts to fill the space with merchandise or household goods is the so-called curbstome transfer man, according to some of the Denver warehouse managers. The problem of price enters into more of the transactions than the average person presumes and the question of warehousing facilities and conditions seems to be secondary in the minds of most people.

L. L. Freedheim, manager of the household department of the Kennicott-Patterson Warehouse Corp., Denver, paints a vivid picture of conditions and admits that there is a possible remedy, which is in the education of the public to what a modern warehouse is like—on the inside.

"The warehousemen are faced with a problem of education," says Mr. Freedheim, "and it must be built on the future business instead of on the present possibilities. Storage of furniture is not a long premeditated action. An emergency arises, such as a death in the family, a breaking up of the home through domestic difficulties, or a transfer of the bread winner to another community. There is no time to inspect warehouse facilities in the community, and the average person pictures a warehouse as merely a place where household goods and merchandise are piled promiscuously in cob-webby corners of a

huge building to accumulate dust and for which service a charge per month is made.

"When a man buys a pair of shoes he cannot send some one else to get them for him, for they must be fitted, but when it comes to storage of household goods the majority of people merely pick up the telephone directory, look to the classified section, if they do not know of the name of a firm, and select from that list the name of a firm offering storage facilities because the name sounds all right. Furthermore some of the smallest concerns may have the largest advertisements in the directory, and many persons are led to believe that the larger the advertisement the more reliable the firm.

### Warehouse vs. Barn

"A 'phone call summons the representatives of the company, who naturally assures the prospect that the firm has ample storage facilities and offers to do the job at a price. In fact it is known that some firms will haul the goods to the warehouse free of charge in order to get the storage business, and this offer usually is grabbed by the uninformed prospect.

"What we must do is to educate the public to the difference between a real warehouse and one that is merely the

basement of a house, a barn or some other place equally as bad. We must make the warehouse a real institution so that when the prospect is a customer for storage he will know the difference.

"Getting the people to visit the warehouse and go through it as an educational opportunity is one way, and I think that it is the only way that we can get the public interested in what actual facilities we have to offer."

One method which Mr. Freedheim said had been tried out is that of inviting the members of luncheon clubs to hold meetings in the warehouse and afterward make a tour of the establishment, with plenty of guides of lecturing ability to make it interesting.

An adaptation of a scheme being worked in the laundry industry was used by the Burch Warehouse & Transfer Co., Inc., Pueblo. The plan was really instigated by the public rather than by any member of the industry—that is, in the laundry field. The laundrymen have asserted that if women were to visit their plants and see how their family washing was handled, they would be more likely to send their clothes to the laundry; and, when a member of a church society asked a laundryman if he would give 25 cents a head for every woman who went through

(Concluded on page 50)

# What a Special Mothproofing Service Can Do for Furniture Warehousing

*How System Operates for the Atlas Storage Warehouse Co.,  
Philadelphia*

By K. H. LANSING

**S**TORAGE warehousemen who maintain either a mothproofing, or a demothing service, or both, might do well to install a moth incubator where it can be seen by at least an appreciable portion of interested visitors to the plant. Such an exhibit is sure to produce a favorable psychological effect, impressing the prospect or customer with the painstaking and scientific manner in which the warehouse organization is proceeding in caring for stored goods subject to moth ravage.

Walter E. Sweeting, president of the Atlas Storage Warehouse Co., Philadelphia, at the time of instituting a special mothproofing service as described on these pages some months ago, placed in his private office such an incubator, which he calls his "zoo." It is a cabinet of packing room construction, built on the general plan of the test cupboards for moth investigation evolved by the Mellon Institute of Industrial Research, Pittsburgh, though smaller than those. It never fails to arouse the

interest of such visitors as enter the president's office, these including perhaps 10 per cent of those customers or prospects who call at the warehouse. Their reaction to the sight of approximately 10,000 active moths flying about, rummaging in and devouring a pile of rabbit fur on the bottom of the cabinet, when the glass front is revealed by opening its outer wooden door, is entirely in line with the effect mentioned in the first paragraph.

These thousands of moths, which continue to complete their life-cycle, hatching from the egg, later eating voraciously as larvae, then weaving cocoons and finally developing into the adult moth, or miller, the females of which soon begin to lay eggs in turn, have been produced from only about 200 moths which infested the rabbit fur when it was first introduced into the incubator. Remarks of customer-spectators show they are fully appreciative of the Atlas firm's efforts to learn about moths so they may exterminate them most effectively.

**T**HE incubator is made from 12-inch poplar boards, being 2½ feet long, by 2 feet wide, by 1 foot deep, plus the thickness of the door, which is supplied at one end with hinges and at the opposite end with hooks for fastening over the glass observation front. A slide in the back permits placing and removal of moths and the material upon which they feed. Narrow strips of fine-mesh copper wire, through the apertures of which not even an ordinary pin can penetrate, tacked over three vertically-placed holes at either end of the cabinet, serve as air inlets. The incubator, though fastened to a wall, has its bottom resting on a radiator, a pipe therefrom passing through one end of the cabinet, serving, in cold weather, to control the temperature, which is most favorable to moth activity and development at about 80 degrees, F. The temperature can be controlled in weather, when the radiator is not in use, by an electric lamp, a bulb being placed inside the cabinet. At this point in the room also is the connection which runs the electric fan, placed on top of the cabinet. A thermometer inside the cabinet, at a point opposite the lamp bulb, indicates the temperature of the inclosure. Except on an extremely cool day the summer and fall temperature in the inclosure is about normal for moth development.

Apart from the cabinet exhibit itself and aiding in the observation of moth development and habits, families of



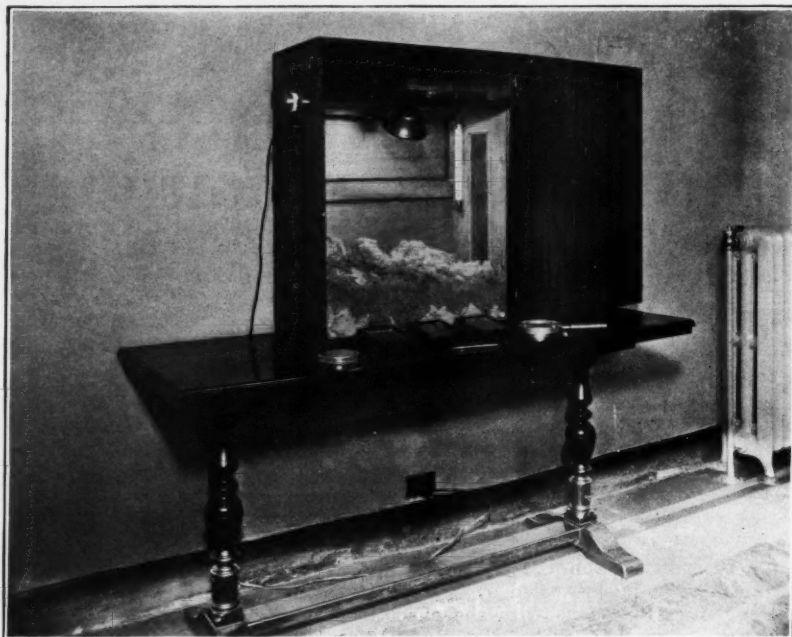
*Cover of direct-by-mail advertising folders, 25,000 copies of which were mailed by the Atlas company to prospective customers*

moths are isolated in small, circular glass receptacles called Petri dishes, looking somewhat like round glass paperweights. These "glass houses" reveal on top, bottom and sides the moth active and dormant states, in separate cycles, different material being used as a moth home and food in each case. It is interesting to note that moths weave their cocoons not only from their special secretion for this use, but also from the material upon which they feed. For example, one Petri dish, containing moths infesting blue mohair furniture fabric, discloses blue-tinted cocoons. When a moth emerges it pulls part way through the cocoon aperture the brittle brown inside shell in which it was encased while dormant. Calling attention to and explaining things of this nature imbue the customer with respect for the company's thorough methods of moth investigation.

But prospects and customers who do not call at the warehouse also have their opportunity of knowing something about the company's methods with moths.

In the photograph album of varied Atlas service, carried by the estimator when he calls at a house, are a number of clear pictures of the incubator; of "Mr. and Mrs. Moth," magnified many times; of their hideous and greedy little offspring, the larvae, who alone does all the eating, since the gormandizing days for a moth are over when it weaves its cocoon, and when it emerges with wings,





*The Atlas company's moth incubator cabinet installed in office of Walter E. Sweeting, president, attracts favorable attention of visitors. Here some 10,000 moths swarm in rabbit fur on the cabinet floor and fly about within the glass-fronted enclosure*

following his sleep, it is too busy with its other functions, such as flitting from here to there if it is a male, and laying eggs if it is a female, to bother with feasting; also photographs of infested material compared with mothproofed material that has successfully repelled attack; and of the various processes gone through with in mothproofing.

The estimator, of course, is primed with explanations of the various pictures whereby to sell the company's service. However, to be appreciated to the full, the moth incubator should be closely inspected, as not even a motion picture reel could do it ample justice.

After all, an exhibit such as a moth incubator-zoo, or Petri dishes with isolated moth families, is merely a "show window" indicative of the substantial service whereby moths are eradicated—adult, larva and egg—from infested material, or effectually repelled for a term of years from material never yet infested.

#### Mothproofing System

THE Atlas company has a system with which goes a written guarantee that, provided the articles processed are not dry cleaned or scoured subsequent to treatment, they will remain immune from attack by moths for at least three years. The reason for the proviso is that the moth destroyer-preventive used in the process is soluble in naphtha.

A clever idea in connection with this mothproofing is the development of a special ink for stamping the processed goods with an oval seal of the company, consisting of three concentric rings, this ink also being soluble in naphtha, so

that the stamp, which is a guarantee of the mothproofing, automatically disappears from the goods as soon as naphtha has been used in cleaning them thereafter; thus canceling the guarantee. Ink of three different colors may be used, so that the stamp will appear clearly on goods of practically any tone, the choice depending on the color of the material treated. The ink colors are blue, brown and yellow. The inner ring shows the company trademark—a symbol of Atlas supporting the earth; the second ring bears the words "Guaranteed Mothproof"; and the outer ring reads: "Atlas Storage Warehouse Co." The under side of a processed chair, or of a rug, for example, is thus stamped.

The solution used in the process, which has the approval of Dr. E. A. Back, of the Division of Entomology, United States Department of Agriculture, was perfected after exhaustive research for an effective liquid moth and carpet beetle destroyer-repellent, begun in 1922, by chemists of the Mundatechnical Society of America, working in conjunction with a group of dry cleaners, at the laboratories of the Mellon Institute of Industrial Research, Pittsburgh. It was not offered on the general market, however, until last June. This product, known as Konate, has a cinchona alkaloid as its active principle, used in a naphtha solution. It contains no water and, in brief, is inodorous, permeates easily and deeply like a dye-stuff, will not dust off, can be used with a spray, and does not affect adversely the properties of textile fibres. Since its perfection, thousands of gallons of the solution have been used in the treatment of articles, all of which are declared to

have remained free from moths, including goods processed four years ago.

As an outcome of this experimentation and development, numerous dry cleaners have been able to offer not only a guaranteed service, but an "insurance" service as well, mothproofing men's and women's garments, furs, upholstered furniture, carpets, rugs, and furnishings at a charge of a percentage of the owner's declared valuation, with the proviso that if the articles thus treated show moth damage thereafter, and prior to another dry cleaning, they will pay the entire declared value of the mothproofed goods. In the two years the plants have been using this mothproofing solution, it is asserted, not a single *bona fide* claim based on this guarantee has appeared. The importance to the furniture storage warehouse industry of similar services adapted to the line is self-evident.

The Atlas firm has secured the exclusive rights among the furniture storage warehouses of Philadelphia for this new scientific discovery and has found its mothproofing system as applied to customers' goods, either in storage, or at their own homes, a particularly profitable one.

The easily portable equipment for this work opens a wide field for mothproofing in the home. The apparatus used by the Atlas company consists of a compressing outfit and spraying unit with a 1 hp. motor, all mounted on a low steel truck having casters with rubber tires; also a solution tank having rubber-tired casters. On the truck, in addition to the motor, are a compressor pump, air reservoir and air purifier, the whole being 3 feet high, 3 feet 6 inches long, and 18 inches wide, while the solution tank is 30 inches high and 15 inches in diameter. The motor is run by merely plugging in on an ordinary electric light socket.

There are leads of special length, 100 and 125 feet, and leading from the compressor to the solution tank, which contains 8 gallons, are an air hose, 25 feet in length, controlled by an air valve to supply pressure on the liquid, and a metal hose, also 25 feet long, supplying the solution to the spray gun, from the nozzle of which the solution is discharged in a fine spray. The operator can work directly with pressure upon the liquid. The Konate is purchased in concentrated form and used with the naphtha solvent, according to directions. The naphtha solution carries the protective cinchona alkaloid evenly and thoroughly through both upholstery and stuffing, in the case of furniture thus treated, penetrating to the deepest recesses, reaching into the seams and creeping by the rapid seeping action of the naphtha into every inch of the material sprayed, including areas that may be missed by the sprayer. The article, whatever it may be, then becomes thoroughly moth-repellent and can be placed in storage, if desired, for three or four years, without danger from moths or carpet beetles.

If it is desired to spray articles in the

home to be left there, they should not be used until their surfaces have become dry, which ordinarily requires from one day to three days. Instructions to this end are posted by the Atlas company in the form of a heavy cardboard sign, 8 x 10 inches, printed in two shades of green on a white background, and which read:

**NOTICE!**

Regarding

**MOTHPROOFING**

The articles, which have been DEMOTHED and MOTHPROOFED should not be used until surfaces are dry.

This usually requires one to three days, depending upon weather conditions.

Keep windows open as much as possible to permit free circulation of air. An electric fan in room will speed evaporation. Upon completion of evaporation there will be no odor.

Guarantee that processed articles will remain immune from attack by moths for at least three years will be mailed.

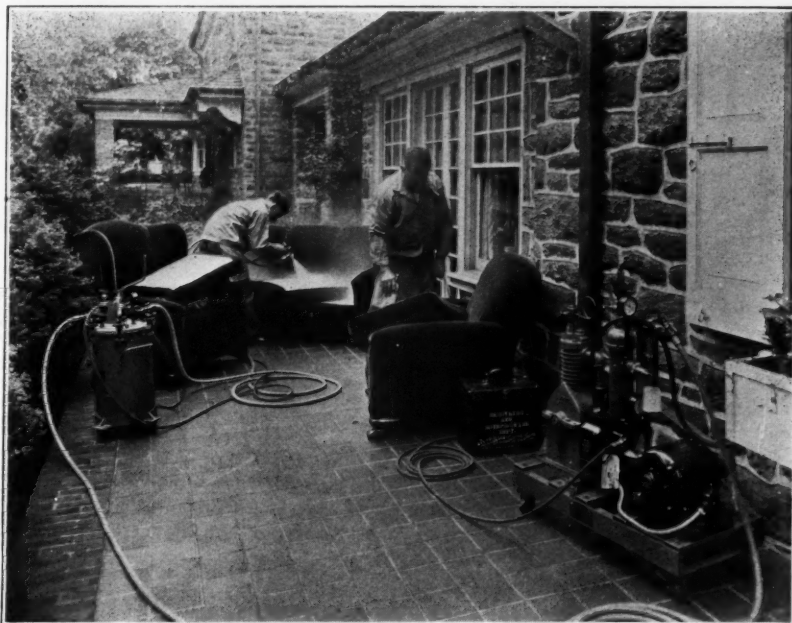
Then follow the line "Demothing & Mothproofing Department" and the name and address of the Atlas firm, with the symbol of Atlas in the lower lefthand corner.

Not only has the company developed a profitable business in private homes, but also it has made advantageous connections with leading department stores and interior decorating firms, for the treatment of furniture, carpets, draperies and the like in the stores themselves.

A Ford light delivery truck, bearing on its vizer a patent illuminated air-sign reading "Mothproofing Department" is used to convey the spraying apparatus to homes and stores. The Atlas company has even extended this service to outside cities, including Pottsville, where work amounting to \$252 was done in a large dwelling, two men accompanying the truck. The processing was begun at 9 in the morning and finished at 6 p. m. In the first two months in which the Atlas used the processing system it has been productive of \$1,200 worth of business, which is an indication of the profitableness of the service.

Spray-painting in the warehouse can be done with the same spraying unit that is used in mothproofing.

As a selling proposition the company's new mothproofing service has largely supplanted the demothing process in its hyocyanic acid gas vault. The vault, however, is used to demoth all upholstered furniture and other articles of fabric subject to moth attack, when brought into the warehouse for storage, when the new mothproofing service is not ordered for them. Under the older plan of doing all demothing in the gas vault, the company was able only to guarantee the destruction of existing moths infesting furniture or other articles, reinfestation being possible when the next brood of flying moths might lay eggs therein following removal of the articles from the warehouse. As mentioned, the company guarantees there will be no reinfestation for a period of at least three years following the processing with Konate, provided dry cleaning of the goods is avoided.



Showing how the Atlas company mothproofs upholstered furniture at the home of the customer. The spraying unit, with compressor and solution tank on rubber-tired casters, is brought to the house on a light Ford truck and wheeled about as desired by the men

In connection with the mothproofing and storage of fur coats for both men and women, the Atlas company has been advertising the new process in attractive and result-producing ways. Up to Aug. 1 of last year the company had done more than four times more fur storage business, alone, than it had for the entire twelve months of the year 1927.

In addition to acquiring much fur mothproofing and storage business, the Atlas has developed, in the same way, storage of rugs, carpets, clothing, tapestries and draperies on a valuation basis, this being largely a seasonal proposition. The firm picks up, demoths and mothproofs with guarantee, as already explained, the customers' articles, and stores them for the summer in its modern fireproof, burglarproof and also mothproof vault, at 3 per cent of the customers' own valuation, with a minimum charge of \$1.50, from date of storage till the following Jan. 1, also returning goods to the customer.

**Advertising**

**T**HE company has done some effective advertising in connection with this proposition, especially as applied to furs, the increase in business being ascribed, however, to factors in this order:

(a) Word-of-mouth publicity about the company's new special service and equipment, passed from satisfied customers to acquaintances.

(b) Newspaper and direct-by-mail advertising.

A special direct-by-mail advertising plan that brought much business was the issue of 25,000 folder circulars, 3 1/4 x 6 1/2 inches, printed on high grade paper, in black and red, the front page,

in carbon photo-finish effect, showing a beautiful young woman wearing a fur coat and standing in the doorway of a typical Colonial home, with her escort, both about to descend the steps into a waiting automobile, on a wintry night. The significant title-caption underneath is "What Will Your Fur Coat Be Worth Next Winter?" The next inside page shows a clear halftone of an aisle of the Atlas company's fur storage vault, with fur coats suspended from their racks in a double tier on either side. The opposite page, under the heading "Don't Worry!" reads as follows:

Your furs and clothing will be safe in our vaults—safe from damage by fire, burglary and moths.

We will send to your home for the garments, process them scientifically for extermination of moths, and then store them in a specially constructed fur and garment vault.

Insurance against fire and burglary is furnished and we guarantee against damage by moths. This is a new system of fur and garment storage, tested and approved by the United States Government.

The cost? Three per cent of your own valuation, subject to a minimum charge of \$1.50 for the season to next New Year's Day. Telephone us when you are ready, and we'll send for your furs and garments, or, if you prefer, bring them to us.

Then follows the name and address of the company. On the last page, beneath the heading "And a Few Other Things!", the folder reads:

Though the main theme of this folder is your fur coat, and other winter garments, Atlas Storage and Atlas Service also encompass:

- 1—The storage of your household goods, rugs, draperies, pianos, automobiles and silver.
- 2—The professional and careful packing of anything you may have for storage, removal or shipment to distant cities.

(Concluded on page 50)

# The Public Warehouseman and His Relations with Ex-Employees

## Thirteenth of a Series of Legal Articles

By LEO T. PARKER,  
Attorney-at-Law

**T**HE majority of warehousemen have experienced difficulties with former employees who, after taking employment with competitive firms, have divulged lists of customers' names or solicited business from these customers acquired from the former employer.

Therefore, as comparatively few warehousemen realize that contracts which restrain former employees from taking employment with competitors are legal, the purpose of this article is to review the leading cases involving the various important details on this subject, so that warehousemen may readily determine under just what circumstances former employees may be prevented from taking employment with competitors, soliciting old customers, or making use of trade secrets.

### Employees Bound by Contracts

**F**IRST, it is important to know that a contract between an employer and employee wherein the latter agrees not to enter into a competing business, or engage himself with a competing firm, generally is valid and enforceable provided the restrictions stipulated in the agreement are reasonable and not oppressive.

For example, in the case of *Eigelbach v. Boone*, 287 S.W. 225, decided during the past few months, a contract between an employer and his employee contained the important clause as follows:

"I further agree that, in the event my employment is terminated for any reason, I will not injure or attempt to injure your business or the business of your clients or associated interests by communicating with or otherwise getting in touch with your customers, directly or indirectly, in any way, form, or manner; but, on the other hand, by my conduct and action, I will at all times do all I can to make friends for you. I further agree that, in the event of termination of my employment for any reason, I will not engage in the same or similar line of business in the same city, either for myself or another

### Next Month

**T**HE fourteenth of this series of legal articles by Mr. Parker will appear in the March issue and discusses the subject, "When the Warehouseman Is Liable for Injuries Effected by Motor Vans, and Things Which Should Be Told Drivers to Avoid Liability."

person, firm, or corporation, for the period of one year following the termination of my employment to you."

Soon after signing this contract the employee terminated his employment and immediately became engaged in a competitive business. The employer filed suit, asking the Court to issue an order to prevent the employee from violating the terms of the contract. The Court promptly granted an injunction against the ex-employee engaging in the competitive business, and said: "He (employee) learned all about how the business was done, the names of the customers, and, considering the nature of the business appellee was engaged in, this was a reasonable and enforceable contract."

If, however, the contract between the warehouseman and employee contains a provision whereby the employee agrees not to engage himself with a competitor or in a competitive business under penalty of paying a stipulated amount of money, then the employee is privileged to pay the ex-employer the specified amount and he may without further liability hire himself to a competitor or engage himself in a competing business. (289 S. W. 295). In other words, an employer cannot obtain an order from a Court restraining an ex-employee from engaging in a competing business and also compel him to pay a pecuniary penalty.

### Contract Must Be Reasonable

**H**OWEVER, it is important to know that a contract obligating an employee not to enter into a competitive

business, or hire himself to a competitor, must not contain unreasonable or oppressive stipulations. If the terms of the agreement are unreasonably severe and not necessary to give the employer adequate protection, the contract may be held invalid and unenforceable.

For example, in a very recent higher Court case (108 A 541) the Court, in commenting on the legal reasoning in determining whether contracts of this nature are valid, said:

"One seeking to enforce the terms of a written contract between an employer and an employee, and providing that the employee shall not work for a competing company or operate a competing business, is one that the law looks upon with the greatest scrutiny. . . . The test generally applied to determine the validity of such a contract is whether or not the restraint placed upon the employee, after the employment has ceased, is necessary for the protection of the business or good will of the employer, and whether it imposes upon the employee any greater restraint than is reasonably necessary to procure protection to the business of the employer or the good will thereof. If the contract goes no further than to accomplish this purpose, it is generally held to be valid."

### Contract May Be Invalid

**I**T is well established that a contract obligating an employee not to enter into a competitive business, or hire himself to a competitor, is invalid if it contain stipulations unreasonably severe and unnecessary to give the employer adequate protection. This is true because enforcement of oppressive contracts is deemed against public policy. (108 Atl. 541)

A review of the higher Court decisions involving this subject disclose that the unreasonable provisions, likely to result in a contract of this nature being held invalid, may relate to an unreasonable area of the territory in which the employee agrees not to engage in any competing business, or to the duration of the contract, or to any stipulation which is not intended to protect the employer.

Generally speaking, the contract



should not obligate the employee for more than one to five years, and the specified territory in which he agrees not to take competitive employment should include only such territory as is required adequately to protect the warehouseman.

For example, such unreasonable contracts as obligate an employee not to seek competitive employment "for 99 years" or "in the whole United States" (13 N. Y. 419) are deemed unreasonable and void.

In another case (Smith, 6 Atl. 251), it was disclosed that an employee agreed not to enter into a competing business "in the county or elsewhere." This contract, with respect to the "elsewhere" provision, was held invalid.

Also, in *Whitmore v. King*, 119 L. T. N. S. (e) a contract which provided that an employee agreed never to engage in a business similar to his employer's, was held invalid, unreasonably oppressive and unenforceable.

On the other hand, the recent case, of *Oak v. Peterson*, 300 S. W. 107, illustrates the far-reaching effect of contracts of this nature that are properly formulated and which contain reasonable stipulations.

In this case an employee signed a contract agreeing not to take competitive employment for a term of three years. The contract contained the following first paragraph:

"Agreement, entered into this the 21st day of December, A. D. 1923, between J. B. Williams or his assigns hereinafter designated 'Employer' and F. C. Peterson hereinafter designated 'Employee.'"

After this contract was signed the employer sold his business to the Oak Co. and soon thereafter the employee engaged himself with a competitor, contending that the contract with the former owner of the business did not create obligations with respect to the Oak Co. However, in view of the wording of the first paragraph of this contract, the Court issued an injunction restraining the employee from remaining in the employment of the competitor.

#### Common Law Liability

UNDER certain well defined circumstances, employers may resort to common law to restrain former employees from engaging in a competing business, or becoming employed with a competitor, although no verbal or written contract exists by which the employee obligates himself not to do so. This is particularly true if it can be shown that the new employment results in deceit, fraud or imposition being practised on the complaining employer. Generally speaking, where no contract exists between the warehouseman and his former employee, and fraud or deceit is not proved, then the question whether the employer has the right to prevent the employee from engaging in a competing business depends on whether the latter was a common employee or an executive. Therefore the law relating to both of these classes of employees will be carefully explained.

#### The Law of Executives

EXECUTIVES, as managers or other employees having the confidence of their employers, are bound to refrain from transacting competitive business unfair to their former employers.

For example, in the case of *Davis Co. v. Miller*, 177 P. 323, it was disclosed that a person who had been employed as manager of a business resigned his position and established a competing business. During the sixteen years of his position as manager he had stood in a confidential relation to his employer. All of the trade secrets, and plans of conducting the business, were confided in him. When he resigned the managerial position he induced two other employees to become associated with him in the new venture. After establishing the new firm he became active in systematic solicitation of the old customers of his employer, endeavoring to induce them to transfer their business to his company.

The former employer instituted legal proceedings against the ex-manager and asked the Court to prevent further continuation of the newly organized business. The Court promptly held the employer entitled to relief and granted an injunction against conduction of the new business.

Also, in the very recent case of *French v. Townsend*, 152 N. E. 675, it was disclosed that a manager resigned his position and established a competing firm. He utilized a list of customers obtained from his former employer and also hired the latter's motor truck drivers and deliverymen. The Court granted an injunction restraining the ex-employee from employing his former employer's men, and restrained him from other unfair tactics.

In both of these last mentioned litigations it was shown conclusively that executives had resigned positions for the purpose of conducting a competing business, relying largely on information and confidences that had been obtained by them while engaged in employment of their former employers. Their former employers had no difficulty in legally preventing them from carrying out their plans.

#### With Regard to Common Employees

HOWEVER, it is important to observe that in the recent case of *Fulton Company v. Johnson*, 117 Atl. 753, the Court refused to grant relief to an employer where it was shown that a common employee had engaged himself with a competing firm to drive his motor vehicle. This employee practised no unfair tactics.

In holding that the employee was not infringing upon his former employer's legal rights, the Court explained the law on this subject as follows:

"While we do not decide that there might not be cases in which an employer should be protected from the use by an employee of a list of customers, fraudulently and surreptitiously obtained, or where, in the nature of the particular case, or by reason of the care used in concealing them, the names of

customers are so guarded as not to be easily obtained by others than confidential employees, we are not willing to hold that in any ordinary business an employee, on going into business for himself or into the employ of another, should be enjoined from seeking to do business with friends he has made in the course of a previous employment, merely because he became acquainted with them while so engaged and as a result of such previous employment . . . It is held, in the majority of cases which have passed on the question, that in the absence of an express contract, on taking a new employment in a competing business, an employee may solicit for his new employer the business of his former customers, and will not be enjoined from so doing at the instance of his former employer."

Also, in the recent case of *Garst v. Scott*, 114 Kan. 676, the Court refused to grant an injunction against an employee who accepted employment with a firm which competed with his former employer. This Court said:

"In the present case, where there was no scheme, plan, fraud, or oppression on the part of the respondent [employee], who took employment in an orderly fashion with another, for him to be compelled to give up all the friends and business acquaintances made during his previous employment would tend to destroy the freedom of employees and reduce them to a condition of industrial servitude. Customers are not necessarily trade secrets, nor are they property. In this case the customers were fixed and settled in a known district, and the fact of their being patrons of the appellant [employer] was in no way covered up, or any one else, by an independent canvass at small expense and in a very limited period of time."

Therefore, it is quite apparent that where no contract binds a common employee to refrain from taking employment with a competing firm, he is privileged to hire himself to a competitor if he practices no deceit or fraud on his former employer.

Indeed, many Courts have held that a common employee who has had no confidential relations with his employer, and who simply has performed manual labor, cannot be prevented from obtaining employment with a competitor, although he signs a contract not to do so.

This is true because a common employee, who possesses no unusual talent, or who has obtained no confidential information pertaining to his employer's business, ordinarily cannot effect injury to a former employer by working for a competitor, particularly if the employment is carried on in an honest and fair manner. Moreover, an employer usually has little difficulty in replacing a common employee.

The leading case on this point is *Stable Co. v. Crane*, 12 N. Y. S. 898. Here it was disclosed that a common employee, who possessed no unusual ability or talent, signed a contract not to accept employment with competitors of his employer. However, he violated

(Concluded on page 49)

# THE BUSINESS MAN'S BOOK SHELF

## Retail Credit Practice

"Retail Credit Practice," by John T. Bartlett and Charles M. Reed. 377 pp. \$4. Harper & Brothers, New York.

THE first named of the joint authors of this book is well known to readers of *Distribution and Warehousing*, because he is a frequent contributor to these pages. Not only does he provide information of conditions in Colorado but he also writes, rather frequently, on problems of general business interest. His articles "Skill in Handling Overdue Accounts Will Reduce Bad Debt Losses" in our September, 1928, issue, and "Let a Signature Identify Your Business!" in the December, 1928, number, are striking examples.

The title of the book by Mr. Bartlett and Mr. Reed might lead a distributor to believe that it does not apply to his business, but such a conclusion might prove to be erroneous for the reason that, while dealing primarily with retailers' problems, the principles of credit practice are so handled as to apply to business generally. Throughout the volume, the authors look at credit management as a step to greater profits. A low ratio of credit losses is desirable, but it is only half the purpose of credit management. The other half, and the vital half, is so to handle credits and collections as to create good will for the firm. To this end, the volume is meat-full of suggestions.

One interesting bit of credit information is that in small towns the quantity of retail credit is high, that it decreases in the intermediate type of community and does not rise again until a city has a population of about 50,000, and, for that size of city and larger ones, the tendency is for credit needs to grow with population.

The test questions for granting of credit are five in number, each to be answered for the individual applying for credit. They are:

1. Can he pay?
2. Does he pay?
3. Will he pay?
4. When will he pay?
5. Can he be made to pay?

Character, capacity and capital—the trinity upon which rests all credit—each is tested by these five questions. The questions are broad and yet they fit the credit situations of different stores, all trades, and any community.

"More money is lost through creditors' lack of promptness in collecting than through any other cause," is quoted from the National Surety Co., which specializes in the field of credit insurance. Certainly that brief sentence is a good thought for the credit manager. For, psychologically, it is easiest for the customer to pay when the purchase remains fresh in his mind. Lengthening delinquency is usually accompanied by diminishing strength of intention and desire. With passing weeks, new obstacles to collection develop—a statement known to be true by every man in business. It is axiomatic that the older an account is allowed to grow, the harder it is to make collection.

The credit manager of Sherwin-Williams Co. is quoted as saying:

"When a statement, sixty days past due, remains unpaid, the chances for collection are very good; when a statement, ninety days past due, remains unpaid, the chances of collection

run about 90 per cent; when a statement, 120 days past due, remains unpaid, the chances of collection are 80 per cent; but when a statement gets to be 6 months past due, and remains unpaid, the chances of collection are about 50 per cent."

Even with the "hopeless" account, age is important. Recovery from year-old bad debts runs much higher than from two-year claims.

In the volume itself the chapters on credit granting are helpful, while the authors have poured all their years of experience into the several chapters that deal with credit investigation, organizing the collection routine, the messages for collection, the skillful use of form letters, collecting by telephone, by personal call, and "last resorts" for collection.

Throughout, as already hinted, treatment of credits and of collections is tempered with the purpose of getting new accounts for the concern and obtaining more business from old accounts. It is for this reason that the book is especially helpful—the suggestions and the procedure having always a secondary purpose to build business for the employer as well as to bring in the delinquent payment.

Reading the volume suggests that it is an excellent book to use when one desires a business book for a present or as a reminder of past favors.

## John T. Bartlett



Author of "Retail Credit Practice," Mr. Bartlett frequently contributes business articles to *DISTRIBUTION AND WAREHOUSING*

## Marketing and Advertising

"Marketing and Advertising: an Economic Appeal." By Floyd L. Vaughan. 225 pp. \$2.50. The Princeton University Press.

THE author is professor of economics at the University of Oklahoma and the book has grown from some years of classroom work with this subject. The author seeks to correct shortcomings of

current marketing methods, valuing each method from a social or public viewpoint as contrasted with the "individualistic" or pecuniary point of view.

An increasing proportion of our population is engaged in selling goods and a decreasing proportion in producing them. To correct the great waste therefrom arising is the purpose of the author.

One reason for the greater emphasis of quality in our goods is the extent to which the wants of each individual are influenced by others. Each lives less to himself and more to society. He is more careful about the opinions of others and gives less weight to his own isolated judgments. Consequently, each buyer tends to give less attention to elemental values, such as durability and nourishment, and more thought to the appearance of products as they are seen by others.

## Changing Conditions

The reasons for this change is that we have passed from a pioneer to an urban life. Several decades ago, each person was interested primarily in the elemental quantity of goods. He wanted food, clothing and shelter that should nourish, warm and protect him, and, to a far greater extent than at present, he was able to tell the worth of the products offered him for these purposes. But urban life of today, together with general education and excellent transportation, make the wants of each individual subject to the influence of others.

In this manner has arisen a greater cost of marketing, due chiefly to:

Higher quality of goods.

Greater variety of goods.

Changed relations of consumer to marketing, in smaller units of purchase, greater credit, more delivery, special services.

Excessive emphasis of salesmanship.

Wider separation of production and consumption.

Disregard of costs.

Indirect subsidies.

Under the last mentioned title, "Indirect subsidies," Prof. Vaughan discusses quite at length the competition of trucking with railroad transportation. His belief is that such competition is unfair, using the familiar arguments that the railroads are taxed for support of highways while trucks largely operate without heavy costs for fixed terminals, rights-of-way, etc. He emphasizes also that the railway is obliged, as a public carrier, to accept all goods offered for transportation, while the truck may choose the goods and elect the time when it will haul goods. He also considers the duplication of facilities a burden on distribution.

He bewails, too, the freight rate structure, which he terms "a perverted structure to keep alive the poorly located factories," giving it hardly less blame than the construction of canals and highways out of public funds "so as to force down railway rates and thus overcome the remoteness of certain establishments from their raw material and markets."

As remedies, the author urges consumers to lay less emphasis on quality, variety, style, service and salesmanship! The "consumer should utilize the opportunity of buying goods which do not require refrigeration, individual containers, and other facilities that augment the cost of marketing." The public is urged to discontinue "indirect subsidies" of highways for trucks, canals and water routes for freight. We are urged also to do less advertising.

These remedies suggest the manner of the book. In the preface and throughout the text it is often spoken of as a "treatise." It is. Theoretically, the viewpoint may be worth considering. Practically, to follow the author's recommendations would make us go back fifty years and sacrifice many of the advances of invention and civilization, as well as forego many of the comforts that our national wealth make possible. As pure economics theory, the thesis of the professor may be tenable; as a practical guide for Twentieth-Century citizens, he will fail to arouse enthusiasm for his remedies.

### Organization and Management

"Industrial Organization and Management." By William B. Cornell. 653 pp. \$5. The Ronald Press, New York.

THE author is professor of management in the school of commerce of the University of New York. The book relates, as the title indicates, primarily to manufacturing. It is a text book for students, based on the teaching syllabus and lecture outlines of the classes taught by the author.

Nevertheless a number of the chapters are of more general nature, such, for instance, as these:

Executives—who they are; a guide to executive control.

Principles of organization.

Types of organization.

Management.

Unfortunately for the reader of these pages the bulk of the book deals with application of these principles to manufacturing rather than to distribution; and the volume is not, on that account, of quite the immediate value it otherwise would be.

One matter dealt with, that has universal application, is that of modern scientific management. The abnormal industrial activity of the war years created a labor shortage which threw executives into something bordering on panic so that they quickly grasped all sorts of management "cure-alls" that came along. Many of these plans to attract and hold labor gave little consideration to the worker, with the result that they have come to be looked upon as charity offerings, which are not wanted by the self-respecting worker. The welfare efforts were often a costly failure, doing more harm than good. "Personnel" work fell into disrepute for a time, but personnel work, not as a panacea of industrial ills but as a sincere effort by management to bring about cooperation of workers, is again coming to the front. Properly conducted, personnel work ends much of the friction, labor troubles and radical tendencies.

This is the present-day tendency in personnel work, and while it does not have the sensational characteristics of the war-time "welfare work," it cannot help having a lasting power for good both for management and labor. The following phases of personnel work are, properly, "scientific management" of employees:

Selective employment.

Importance of foremen.

Employee training for the job.

Better working conditions.

Adequate wages and proper hours of work.

Joint relations of mutual understanding and confidence.

Scientific management, further, is well defined in the following summary of "How to manage":

1. Define your purpose.
2. Analyze your problem.
3. Seek the facts.
4. Devise the one best method.
5. Find the person best fitted.
6. Teach the person best fitted the one best method.
7. Plan carefully.
8. Win cooperation.
9. This is Scientific Management.

The successful executive "is he who knows where to seek facts, who organizes them, who grasps their essentials, and, by the use of good common sense, concentration of attention to the matter on hand, and reasoning, deduces the logical conclusions and thus solves his problem."

In all cases the facts must be known. No decision is the best possible decision until there has been a sufficient time to weigh and consider the facts. The handling of a complaint may seem a trivial matter, but when it is realized how the news spreads among workers and what is the effect of an unwise, hasty decision, it is appreciated that even a seemingly unimportant decision should not be made with undue haste.

### Optimistic Outlook for 1929 Warehousing in Kansas as Foreseen by the State Association's President

KANSAS should have in the coming year 1929 "no cause to feel that business for warehousing will not be even better than it has been in 1928 and previous years," in the opinion of C. M. Drennan, Arkansas City, president of the Kansas Warehouse & Transfermen's Association.

Mr. Drennan's review and forecast were prepared for the annual article on this subject published in the January issue of *Distribution and Warehousing*, but reached New York for incorporation into that article.

"Crops," the Kansas City executive continues, "have been extra good—in some cases too good; as, for example, many potatoes were not taken from the ground on account of their abundance and no market. Oil and refinery activities are developing and increasing. Railroad business has been growing, and all angles of business which seem to be for the betterment of distribution and warehousing are in a prosperous condition, and only optimism is in the eyes of the progressive warehouseman in Kansas.

"It is essential that if any business is

to be good, the men who are vitally concerned must operate and work out together the problems of their industry. The Kansas warehousemen have shown the spirit that will eventually be of great assistance in making the most of their opportunities in this Commonwealth with its potentiality for industry and manufacturing as well as its already developed agriculture, oil, meat packing, flour and grain mill products, all together making Kansas one of the unusually bright spots for warehouse business in the immediate future."

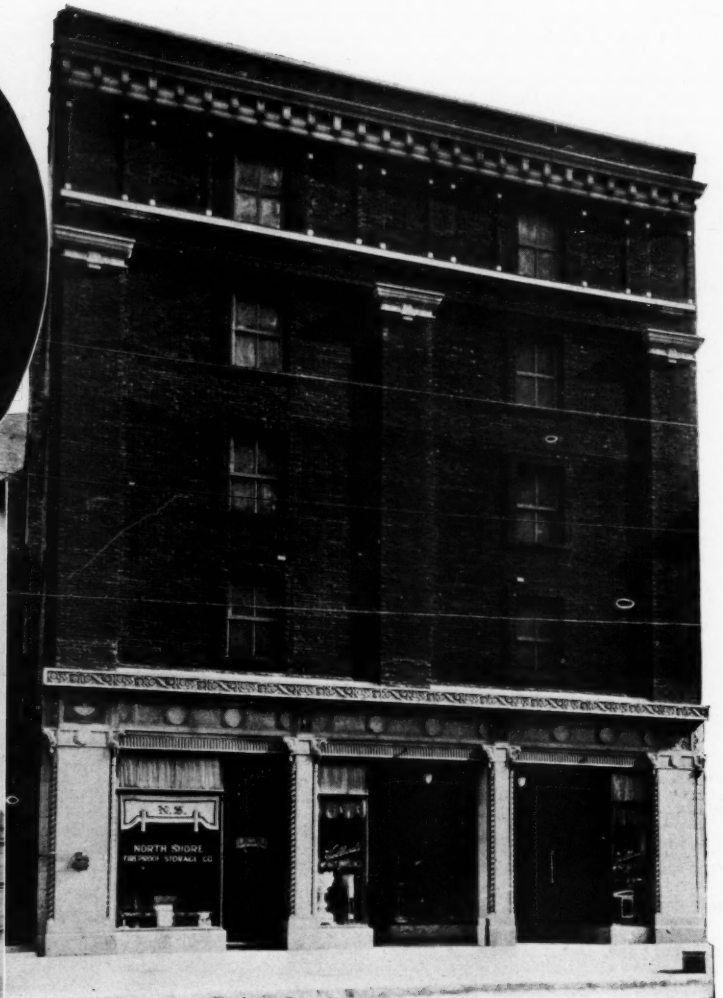


No. 62

**J. H. Troyer**

By ELIZABETH FORMAN.

*In oval, J. H. Troyer,  
president of the North  
Shore Fireproof Stor-  
age Co., Chicago.*



*Above and left, household goods depositories, on opposite sides of Broadway, Chicago, operated by the North Shore Fireproof Storage Co. The firm's main office is located in the building above.*

**I**N a day when business, especially in the warehousing industry, is building up and expanding on every side, it is quite unusual to find a man deliberately planning on how to decrease the number of his clients. Yet this is what J. H. Troyer, president of the North Shore Fireproof Storage Co., Chicago, virtually has been doing for some time. Only three motor vans now may be seen backing up to the Troyer warehouse where not so long ago ten were kept busy. And only a short time

back a part of the property was turned over to another firm on a 99-year lease. It had become too valuable for warehousing purposes!

Mr. Troyer was born in Port Rowan, Ontario, his great grandfather being one of the first settlers in that part of the country. His mother was of English parentage and his father was a Canadian, but they had relatives living in Chicago, and to that metropolis the

*(Concluded on page 52)*

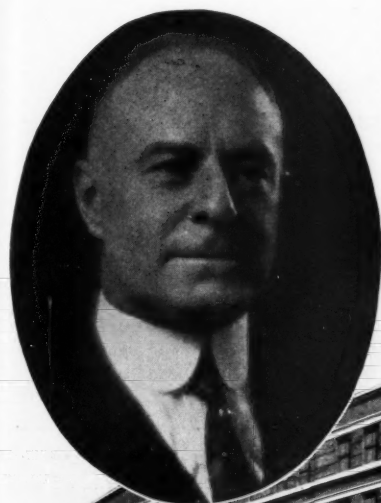
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# ily Album Out of Storage!

No. 63

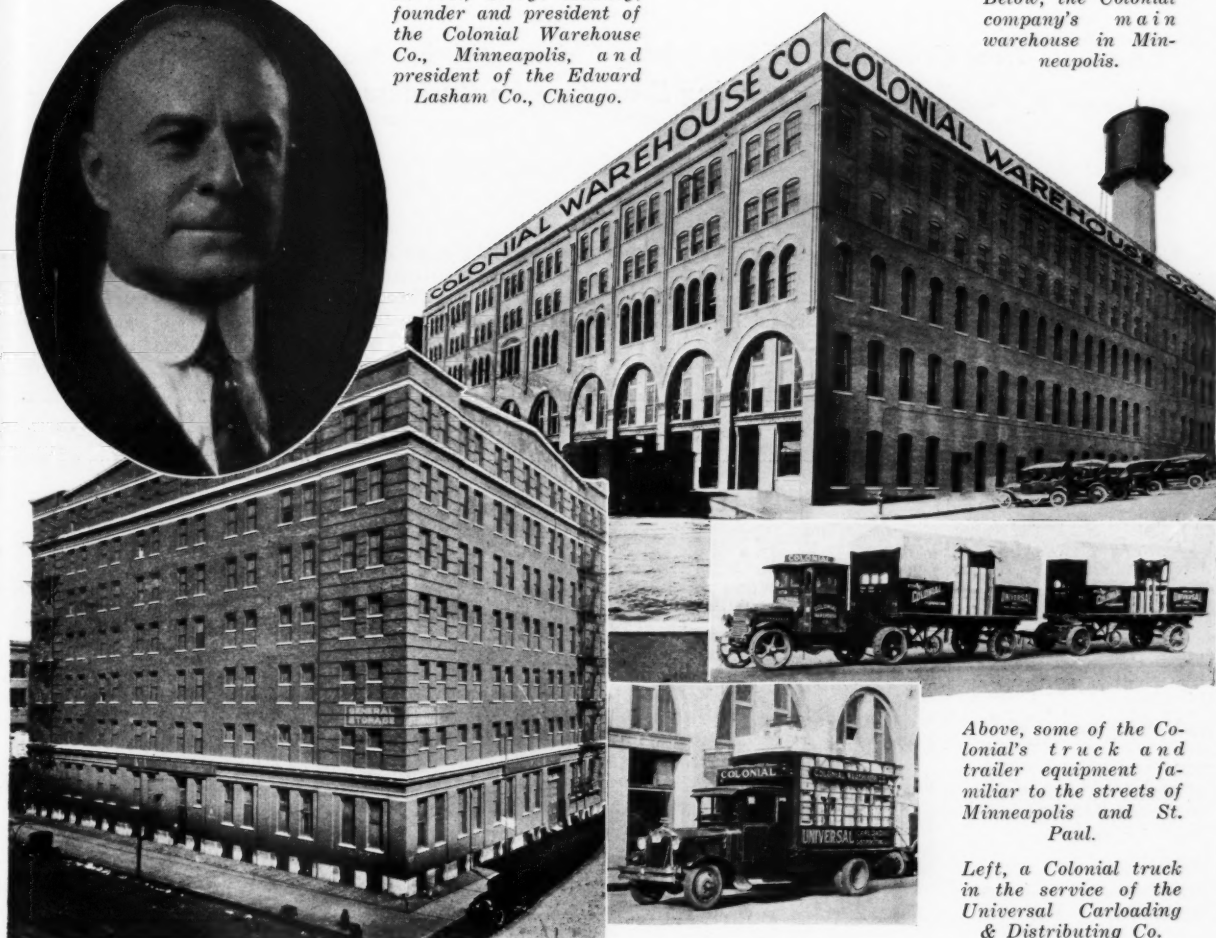
## George Hamley

By ELIZABETH FORMAN



In oval, George Hamley, founder and president of the Colonial Warehouse Co., Minneapolis, and president of the Edward Lasham Co., Chicago.

Below, the Colonial company's main warehouse in Minneapolis.



Above, the Colonial's Chicago plant operated as the Edward Lasham Co.

**T**HE call of the colonies not only gave the Colonial Warehouse Co. in Minneapolis its name but also a founder and proprietor. But let's begin at the beginning:

Once upon a time there were two young men, brothers, living quietly with their parents in Cornwall, England. Born in a cultured home, they went to school and to church, as did other boys of their class, but each dreamed a dream—of distant places, of adventure, of romance.

Finally, on attaining their majority, they set sail for the far flung lands of which they had so often talked. One came to America to seek fame and fortune. The other, intrigued by dazzling stories of a gold rush that were current at the moment, boarded a sailing vessel

for England's newest colony, New Zealand. It took him 110 days to make the journey.

It was many years before the two brothers met again. Each married and established a home in the land of his adoption. But they always corresponded quite faithfully, and in time the American brother who had settled in Minneapolis, prevailed upon the New Zealand family to cast its lot with his. So the British brother moved to Minneapolis, bringing with him a son, George, who was, in time, to become president of the Colonial Warehouse Co.—the name a delicate tribute to his pioneering father.

George Hamley was born in Auckland, N. Z., in 1875. In 1890 he came to Minneapolis and shortly thereafter

(Concluded on page 47)

# Profits for the Cartage Department in Merchandise Warehousing

*How Griswold & Walker, Inc., Chicago, Makes Money Out of  
the Trucking Branch of Its Business*

By HOWARD T. LENTERS

**M**AKING the cartage department a profitable part of the warehouse business has been, and is, an intriguing problem. Griswold & Walker, Inc., operating a merchandise storage business in Chicago for the past forty years and longer, has solved the riddle.

In perhaps the majority of cases cartage is regarded by warehouse executives as a liability necessary in the fulfillment of storage and warehouse principles. Such a contention is not only economically unsound but precipitates a demoralizing effect on the warehouseman.

It is coming to be recognized that each department

of a business must justify its operation. Logically, cartage is an integral part of warehousing, and the attempt should be made to promote efficient operation, and there is conclusive proof that many warehouse firms, under the stimulus of competition, are insuring their businesses through a well-rounded program of efficient trucking that is gradually showing profitable results.

There is no reason for surprise and applause directed toward Griswold & Walker, Inc. The Chicago company's success in the cartage end of its business is due to years of effort to make trucking pay.

**W**E were seated in the private office of Wellington Walker, vice-president, in the main building of the group of warehouses that extends for blocks between the viaducts of two great railroads. Talk, which had been of this and that, drifted to Mr. Walker's hobby—cartage.

"How does Griswold & Walker make its cartage department pay?" I asked him.

The veteran executive smiled, puffed at his cigar, and through a haze of blue smoke replied:

"Knowledge of costs, system, and management."

Willis D. Leet, western manager of *Distribution and Warehousing*, leaned forward in his chair. "Yes, but how did you arrive at your system of management?" he queried.

"Experience," Mr. Walker answered succinctly. "I've been in the cartage and warehouse business for approximately forty years."

"I know, every morning, what each

truck did the previous day and how much it earned. The bookkeeper makes a daily record, and, together, we go over these figures. At the end of the month a cost sheet is made for each truck. This is compared with its earnings, so that I know just what each one is bringing in. All these data are where I can get them at any time," and Mr. Walker tapped the top of his desk.

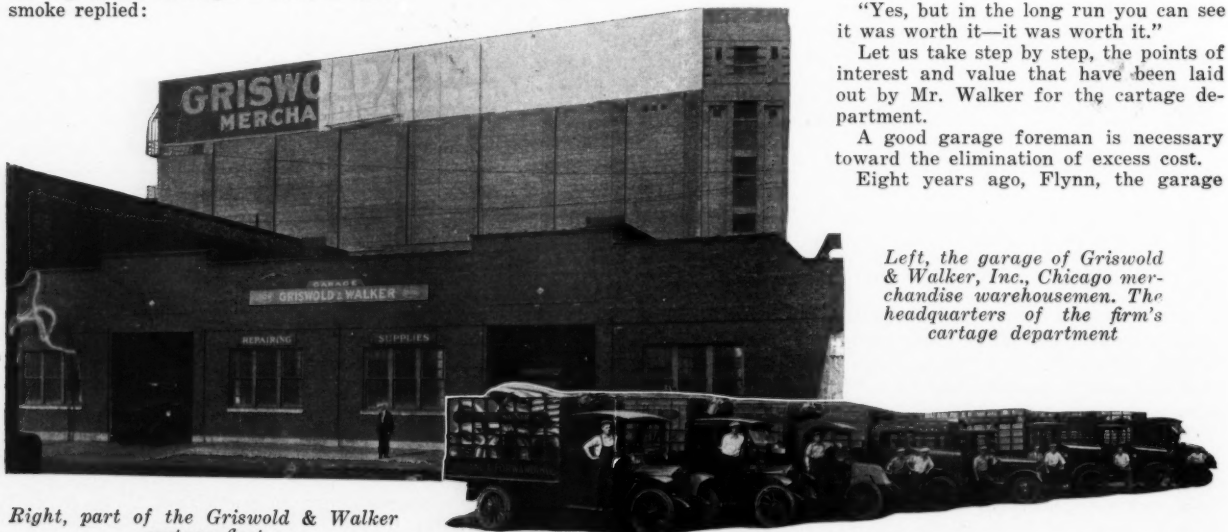
"It took a long time to get things running that smoothly, didn't it, Mr. Walker?"

"Yes, but in the long run you can see it was worth it—it was worth it."

Let us take step by step, the points of interest and value that have been laid out by Mr. Walker for the cartage department.

A good garage foreman is necessary toward the elimination of excess cost.

Eight years ago, Flynn, the garage



Right, part of the Griswold & Walker cartage fleet

Left, the garage of Griswold & Walker, Inc., Chicago merchandise warehousemen. The headquarters of the firm's cartage department



## Cost of Operating Auto Trucks March 1928

All Trucks	#6	#9	#15	#16	#20	#22	#23	#24	Total
Gasoline	4096	5184	4176	5056	4128	4080	5072	6256	38048
Oil	616	796	369	704	837	923	484	1058	9396
Tires	5734	14043	1665	433	3068	2190	4683	10055	41871
Garage Rent	2500	2500	2000	2000	2000	2000	2000	2250	17250
Insurance Expense	2751	2200	1770	2024	1683	1782	1835	1965	16010
Chauffeurs Pay	19251	19755	17794	17930	17190	18135	16631	19802	148488
Alcohol									37500
Depreciation	37500								60000
Overhaul	60000								91102
Cartage Fees	98162								46665
Total	199207	34948	44478	27774	28151	28906	29110	32705	41386

Sample form showing how Griswold &amp; Walker, Inc., keeps monthly record of truck costs

foreman, was engaged by Mr. Walker to assume the responsibilities of truck upkeep, the hiring of chauffeurs, and management of the Griswold & Walker garage.

Flynn is employed under a unique contract which has become invaluable to both parties. He, with twenty other employees, owns stock in Griswold & Walker. Flynn does not bully his drivers, yet he has cajoled them into a sense of responsibility toward their individual "buses."

For his services as garage manager and admiralissimo of the fleet of trucks, Flynn is paid a stated salary. As an added incentive he receives 50 per cent of the net profits of the garage which are taken from the repairing, gasoline, oil, and rental. Under such an inducement the expenses are kept as low as possible.

"Flynn is one of the finest garage men

I know. He is very conscientious and can handle his men," Mr. Walker said.

"I am making good money and Griswold & Walker is saving a considerable sum, so everybody is happy," is Flynn's version.

Saving money is quite correct. One of the trucks is fifteen years old, yet the repair bills for 1927 totaled only \$68.50.

Such a condition could not exist if Griswold & Walker did not own its own trucks, or garage. And the officers do not try to fool themselves by eliminating incidental expenses; in fact, all costs are added plus an unnecessarily large overhead to insure an absolute basis of comparison.

Naturally, a great deal depends on the truck drivers. None of the men employed by Flynn has worked for him less than five years.

"It took me over three years to weed out the careless drivers. In the eight

years that I've been here there have been only two accidents, and they weren't serious. My men know how to drive," Flynn told us.

And besides knowing how to drive, those men know how to hold down a good job. They have a congenial boss and a steady job.

As Flynn left the office, Mr. Walker remarked, "He's responsible for a good deal of the profit on our trucks."

Yes, a man who understands and enjoys his work is always conducive to success, but Mr. Walker had the insight to see the possibilities in Flynn; he wasn't always as valuable as he is now: a foreman who justifies an important sub-department of cartage.

When the trucks pull out of the garage each morning, there is no waiting for orders or loads. Orders and loads are waiting for the trucks.

"I have always seen to it that there

Forms used by Griswold & Walker, Inc., in operating its cartage department at a profit. Left (1) the shipper's receipt; (2) the consignee's memorandum; (3) the notice of delivery; (4) the cartage bill.

1. SHIPPER'S RECEIPT: Includes fields for Shipper's Name, Address, City, State, and Country. It also includes a section for the driver's signature and date.

2. CONSIGNEE'S MEMORANDUM: Includes fields for Consignee's Name, Address, City, State, and Country. It also includes a section for the driver's signature and date.

3. NOTICE OF DELIVERY: Includes fields for Driver's Name, Address, City, State, and Country. It also includes a section for the driver's signature and date.

4. CARTAGE BILL: Includes fields for Driver's Name, Address, City, State, and Country. It also includes a section for the driver's signature and date.

Forms used by Griswold & Walker, Inc., in operating its cartage department at a profit. Right (1) uniform straight bill of lading; (2) the shipping order; (3) memorandum.

1. UNIFORM STRAIGHT BILL OF LADING: Includes fields for Shipper's Name, Address, City, State, and Country. It also includes a section for the driver's signature and date.

2. SHIPPING ORDER: Includes fields for Shipper's Name, Address, City, State, and Country. It also includes a section for the driver's signature and date.

3. MEMORANDUM: Includes fields for Shipper's Name, Address, City, State, and Country. It also includes a section for the driver's signature and date.

Forms used by Griswold & Walker, Inc., in operating its cartage department at a profit. Left (1) the shipper's receipt; (2) the consignee's memorandum; (3) the notice of delivery; (4) the cartage bill. Right, (1) uniform straight bill of lading; (2) the shipping order; (3) memorandum. Through this system no itemized bill is necessary at the end of the month



# Credit Reporting as a Service by the Merchandise Warehouseman

*The Taylor-Edwards Co., Seattle, Builds Business Through  
Special Cooperation With Distant Manufacturers*

By MANDUS E. BRIDSTON

NOT long ago the Taylor-Edwards Warehouse & Transfer Company, Seattle, delivered an order of merchandise contrary to the advice of an eastern manufacturer who had placed his goods in storage at this Seattle warehouse.

When this manufacturer gets a report of the transaction, he'll not only be entirely satisfied with the Washington company's action, but will have a lively appreciation of this warehouse as a clearing house of credit information.

Of course, this manufacturer, doing business from a swivel chair a couple of thousand miles away from the Seattle territory, had no means of adequately measuring the credit stability of the merchant whom he had placed on the "Don't sell" list. To be sure, the Dun or Bradstreet lists were available to him, but many safe pros-

pects are not so listed. Then, again, there are so many intangible factors that have a bearing on credit rating. A customer may be short of liquid assets, but long on good, sound business sense and have a reputation of prompt pay, so that cold figures alone are deceptive in judging his credit standing; or vice versa.

The human element is such an important factor in making credit decisions that personal acquaintance is often a requisite in extending or curtailing credit accommodations.

The instance mentioned in the foregoing is a graphic illustration of this. The manufacturer was in doubt, and gave himself the benefit of the doubt; the Taylor-Edwards company knew that the particular account was good, and hence it disregarded the manufacturer's warning not to deliver goods to this merchant.

REALIZING the difficulty of accumulating accurate credit information at long range, this western warehouse three years ago began acting in the capacity of a credit bureau for eastern clients. As the bulk of the firm's business comes from eastern distributors and manufacturers without branch offices in the Northwest, this service is of extreme importance, both to the warehouse and its clients. For the warehouseman it means good will and customer cultivation; for the eastern company it is a valued accommodation that saves thousands of dollars in credit risk losses and an expanded market by virtue of safely selling to the little fellow who perhaps has no credit listing whatever.

What a splendid opportunity of service so many warehouses are missing!

And it's not a "free" service, either. Unlike the motorist, the manufacturer and distributor has learned to pay as he goes, and if real services are offered he is willing to pay for it.

"We don't expect to make a profit on our credit department," reports O. C. Taylor, president and general manager of the concern. "Our aim is to do this work for our clients at cost. Of course, it is difficult for us to segregate this cost so as to know just what this service is worth in actual dollars and cents, be-

cause the employees who do this work are also employed on other duties. However, our customers seem satisfied with the rates we charge, and we are content to receive just enough returns to cover the actual expense of the service."

The rates vary. If the amount of credit extension involved is small, and requires only routine reference to local lists, the charge is hardly noteworthy. But when the manufacturer becomes involved in a big deal, and a credit report requires extensive investigation, the charge is correspondingly higher. Hence there can be no hard and fast rule of payment, each deal depending on the circumstances.

There is nothing mysterious or involved in the method used by the credit department of the Taylor-Edwards company. It is, perhaps, no different than that used by hundreds of wholesalers, jobbers, manufacturers.

## *"The Missing Link"*

The big thing is that this company has operated in Seattle since 1910 and hence knows practically every business house and executive intimately, and can supplement the usual credit information out of this wide experience and acquaintanceship.

It supplies the vital missing link that

the distant distributor or jobber can't get through his own credit department.

The Seattle firm did not find it necessary to go outside of its own organization, when it first offered this credit service three years ago. A man in the office familiarized himself with credit practices, and now conducts the department. He uses a credit list compiled by the firm, which information is supplemented by the lists compiled by the Credit Bureau of Seattle. This latter is used largely to get a line on new accounts and new business that come into existence almost every day.

It often happens that a concern using leased warehouse facilities as a unit of distribution in distant points, places a salesman in that territory to drum up business. Usually the salesman's every effort is turned toward selling goods with the idea of letting the credit department "worry about getting the money." Hence it is necessary that a credit check be available to balance the sales program. Even though the manufacturer in the East were competent adequately to pass on credits in the Seattle territory, the time element often precludes it. The merchant wants his order delivered pronto, and would be impatient with any delay. In fact, that's

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# FROM THE LEGAL VIEWPOINT

By Leo T. Parker

## Problem of Responsibility

**L**EGAL EDITOR, *Distribution and Warehousing*: We have no regular warehouse nor are we bonded warehousemen but occasionally as an accommodation to our customers we store their goods for them until such time as they may want them, in most cases charging them for this service, sometimes not making any charge. Sometimes the material is left on an old wagon in our brick stables or in a frame building that we used to keep some of our horses in but which we now use for odds and ends. We have a night man who makes his rounds regularly. Now what we are interested in knowing is this:

In order to protect ourselves from anything that might happen to this material in storage, what steps or form of notification to the owner of the goods should be taken or sent by us to relieve us from responsibility? Not being regular warehousemen we do not issue warehouse receipts but acknowledge receipt of the material by letter, and stating therein that owner should carry his own fire insurance on the material. We always ask for and see that we get an acknowledgement of such a letter. Besides the fire issue is there anything else that the owner should be notified about by us, to afford us the necessary protection?—Sam Gottry Carting Co.

Answer: Your liabilities for accepting the goods for storage, for which services you receive pay, are exactly the same as other warehousemen. In other words, any keeper of merchandise for hire is required by the law to exercise ordinary care to safeguard the property. The mere fact that you notify your customers, or enter into contracts with them, that you assume no liability, or that they assume full responsibility for loss or injury to the goods, does not relieve you of liability where the merchandise is destroyed as a result of your negligence or that of your employees!

On the other hand, if you accept goods for storage or safekeeping for accommodation of your customers without collecting charges for this service, you are required by the law to exercise only a slight degree of care to safeguard the merchandise.

You may reduce your chances of liability by a form of agreement signed by the owner of the goods in which the latter agrees to assume full responsibility for loss, damage, or injury to the stored goods resulting from named sources. Furthermore, you may reduce your liability by charging a stipulated rate per package having a specified value

and higher rates where such packages have greater value. However, these various agreements should be signed by the owner of the goods, as mere notification is insufficient, unless the owner acknowledges receipt of the same and expressly or impliedly agrees to the contents of the same.

## Selling Goods for Charges

**L**EGAL EDITOR, *Distribution and Warehousing*: It has been our practice to hold furniture, on which the storage has not been paid, for one year to a year and a half before we auction it for storage charges. At the time it is auctioned off it is bid in by Bernard G. Costich, president of this warehouse, for

If the procedure is not strictly in accordance with the laws, the warehouse corporation is liable for conversion.

## Warehouseman Held Liable Notwithstanding Agreement

**G**ENERALLY speaking, a warehouseman is liable for loss or injury to stored goods *only* when the circumstances causing the injury arise from want of ordinary care on the part of the warehouseman.

However, it is well established that a contract between a warehouseman and the owner of the stored goods, by which the former is relieved from liability for loss or injury to the merchandise, is valid *only* where such contract clearly and unmistakably specifies the direct reason for the loss which is not the result of negligence on the part of the warehouseman.

For instance, in *California & Hawaiian Sugar Refining Corporation v. Harris County Houston Ship Channel Nav. Dist.*, 27 F. (2d) 392, it was disclosed that the owner of a large quantity of sugar stored it in a warehouse and signed a contract which relieved the warehouseman from liability for damage to the sugar by fire, leakage, discharge from sprinklers, collapse of building, etc. The contract provided also that the property was stored at the risk of the owner.

The heavy lot of sugar caused the floor to settle, resulting in a break of a water pipe directly beneath the sugar, thereby saturating the commodity with water and ruining it.

Notwithstanding the provisions of the contract between the warehouseman and the owner, the higher Court held the warehouseman liable for the loss, saying:

"Such contract, being contrary to the established principles of law governing the relation, must be clearly and affirmatively established by the person who invokes it, and to do so he must show (1) that the cause of the injury was clearly and specifically excepted against, and (2) that knowledge of this exception was affirmatively brought home to the plaintiff [owner]. . . . The sources are fire, leakage, or discharge from sprinklers or fire protection, collapse of building, etc. The injury in question did not come from any of these excepted causes. It came, on the contrary, from the breakage of a water pipe, against which no exception was taken by the defendant [warehouseman].

"The second clause, providing that the property is at the risk of the owner,

## What Don't You Know?

**M**R. PARKER answers legal questions on warehousing, transfer and automotive affairs.

There is no charge for this service.

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the amount due on the goods. We hold these lots until we have fifteen or twenty loads and then auction them off at one time. We have never made as much on these auctions as are due on them.

We would like to know if it is legal for the president of a warehouse to bid on lots in the name of the warehouse, that are stored with the warehouse?—B. G. Costich & Sons, Inc.

Answer: It is legal for the president of a warehouse corporation to purchase stored goods sold at public auction, for delinquent charges. However, it is absolutely necessary for this procedure to be legal; that the laws regulating the sale of stored goods shall be carefully and faithfully conformed with. The purchase made by the president at public auction must be a *bona fide* one at a higher bid than is offered by disinterested parties, who by advertisements and notifications inserted in compliance with the law, are duly notified of the intended sale.

could only, in consonance with the general principles of public policy governing the relation, be construed to mean as exempting defendant from liability as an insurer, and leaving him only liable for his negligence."

#### Compensation Irrespective of Form of Receipt

THE recent case of *Finn v. Erickson*, 269 Pac. 232, presents several important phases of the law particularly interesting and informative to warehousemen.

The facts are that the owner of more than 3000 boxes of apples stored them with a warehouseman, receiving the following receipt: "Received for storage from C. H. Finn, for account of storage: . . . number of sacks—Commodity—number boxes—6968 Commodity Apples, Orchard Run, Loose in boxes. . . gross lbs. tare net lbs. on the following conditions—loss or damage from fire, water, frost, the elements or unavoidable casualties at owner's risk. Owner assumes liability for removal of any damaged or spoiled goods. Delivery will not be made until this warehouse receipt is returned properly indorsed and all charges paid for storage and we will not be responsible for weights after goods leave warehouse."

Some time later the owner, not being satisfied with the condition of the apples, instituted legal proceedings and recovered possession of the merchandise without paying the warehouseman's charges. The warehouseman asked the Court for re-possession of the goods or payment of the storage, transportation and labor charges amounting to several hundred dollars. The owner attempted to avoid liability on the grounds that the receipt issued by the warehouseman was irregular, and non-negotiable, and further that the warehouseman's charges were excessive and that the lien on the goods was lost when the apples were removed by order of the Court from his warehouse.

However, the higher Court held the warehouseman entitled to collect full compensation for his various charges, saying:

"The action is based upon the contract whereby plaintiff [owner] deposited as bailor certain apples and boxes with defendants, as warehousemen, who agreed to keep the same, subject to the orders of plaintiff. The law implies this agreement when one person bails to warehousemen personal property. It also implies an agreement on the part of bailor to pay reasonable compensation for the services of the warehousemen. Defendants are warehousemen. It is admitted that no special agreement was made by the plaintiff and defendants for compensation to them for serving as bailees. Plaintiff being dissatisfied with the condition of his apples, which he attributes to lack of care on the part of defendants [warehousemen], demanded the apples. . . Defendants were entitled to

rely on their right to the possession of the personal property until their claim for storage, transportation, and labor connected with the safekeeping of said property was paid. . . It is unnecessary to decide the question of whether or not the uniform warehouse Act has superseded other provisions of our statutes and the common law concerning warehousemen's liens. . . This clearly implies that a lien exists for a warehouseman's charges when the receipt issued is non-negotiable. We think there is really no room for difference of opinion about the right of defendants [warehousemen] to collect for their services in transporting, caring for, and storing plaintiff's apples and boxes."

#### Warehouseman Entitled to Unearned Profits

IT is important for all warehousemen to know that a contract made by correspondence is equally as binding as other written agreements. Moreover, either party is legally entitled to sue and collect profits and damages from a person who breaches a valid contract.

For example, in *Golden State Orchards v. Harter*, 269 Pac. 735, it was disclosed that a warehouseman wrote to a prospective customer offering to store, sort, and pack the latter's commodity at a stipulated charge; handling to be extra. The customer answered, in part saying:

"We wish to confirm our understanding of the arrangement you proposed to us. The charges of every nature for handling from on board cars your station Harter, processing, grading, packing and loading, when sold, shall be \$30 per ton. This price to include storage until such time as it is sold. . ."

The warehouseman answered explaining that extra handling would be charged to the customer's account and that the storage would be free until the 1st of June.

The customer agreed to this limitation and in December delivered 370 tons of the merchandise to the warehouseman, who issued warehouse receipts therefor. In January, before the warehouseman had completed the agreed sorting and packing, the customer sold the goods and offered to pay the warehouseman for the work actually completed. However, the warehouseman filed suit against the patron for \$8,284, the full profit he would have earned had the customer permitted him to complete the terms of the contract.

The lower Court held the warehouseman entitled to the unearned profits, but the higher Court reversed this verdict, saying:

"As to the measure of damages in a case where, as here, the performance of the contract or obligation is prevented by the creditor, the rule is . . . the damages in such case 'would consist of the profits he [warehouseman] would have made if he had been permitted to complete the work according to the contract.' . . . if performance is prevented by the party who is to make such pay-

ment, the person [warehouseman] doing the things is entitled to payment as for full performance. . . or, in other words, that the party [warehouseman] who was to do the things specified in the contract is entitled in such case to 'payment as for full performance,' less the cost which would necessarily be incurred by full performance."

#### City Streets Are State Highways

CONTRARY to the opinion of the majority of persons, city streets are under the direct control of laws relating to State highways.

For instance, in *Armstrong v. Johnson Storage & Moving Co.*, 268 Pac. 978, the legislature of Colorado passed a law requiring operators of motor trucks having one-ton capacity or more "operated upon the public highways of this State," to pay an additional license of \$25 a year.

A warehouseman who operated a two-ton motor truck contested the law on the grounds that he "is engaged in the business of transporting goods, wares, and merchandise for hire over the streets of the city and county of Denver" and that since the law specified "public highways" he was not subject to payment of the additional tax because he operated his truck only on city streets.

However, the Court held the owner of the truck liable for payment of the license, stating the law as follows:

"The streets of a city are the highways of the State . . . and plaintiff [warehouseman] has therefore stated himself precisely within the terms of the Act. . . We think there is no doubt of the right of the State to regulate the use of automobiles by license even though they never leave the city of Denver . . . the license is valid unless the fee is excessive, unreasonable, or confiscatory."

#### Summary of Important Cases

EACH month sees termination of higher Court cases which, although not sufficiently important to justify detailed report, contain valuable points of the law. This month's cases include the following:

Holder of bill of lading may sue for damages to shipment, (143) S. E. 782).

Contract cannot be cancelled by complaining party, unless testimony shows conclusively that fraud or misrepresentation was practiced, or both parties were mistaken of their obligations, (6 S. W. (2d) 535).

Law does not convert private carrier into common carrier, (269 Pac. 728).

Common carrier is one which impliedly agrees to haul for all who request service. (269 Pac. 728).

Bill of lading always is construed against carrier, particularly if its terms are ambiguous. (246 Ill. App. 451).

The terms of a bill of lading issued by the initial carrier fixes the duties of liabilities of the connecting carriers, (246 Ill. App. 479).

H. A. Haring's

# New Business for Warehouses

## IXL Wrapping Paper and Bags Now a Source of New Revenue

**T**IME was when the retailer gave no thought to the quantity of paper used to wrap his sales, nor the twine that bound the parcel, nor the precious minutes given to winding and tying. Possibly in those days the minutes were not precious, because then the wages he paid were small. Such carelessness does not occur today, when each item of cost is weighed in the fight to cut costs of distribution.

The yards and yards of twine have been supplanted by the use of gummed tape. The quantity of wrapping paper is reduced by the use of paper bags, which require less paper and which eliminate altogether both twine to bind and time of clerk to tie. As a customer departs from a modern retailer's store he carries an odd assortment of paper bags, whether the establishment be a five-and-ten

or a leading department store. All, alike, have substituted paper bags for wrapping paper.

Yet both paper and bags are used. The total quantity is as little as store ingenuity can make it, but, until purchasers will accept goods without wrappings, every retailer will be obliged to use wrapping paper.

It is, however, an item of expense. Store management aims to cut out useless expenses. Anything avoidable must be eliminated.

Therefore, store managements today as never before are scrutinizing their expenses for wrapping paper, bags, twine and tape, and, in the effort of makers of these goods to maintain their volume, those makers have undertaken more aggressive sales methods.

### Delivering at Less Cost

**S**ALES MEN for the paper-makers are forced to recognize that retailers must reduce their costs. First thought is to use lighter paper stock, for all paper is sold by the pound and if a thinner sheet will serve the purpose as well as the thick one the cost will be less. Here some savings are possible, but not great ones. Stores have already adopted as thin paper as will safely protect their goods until delivered to the customer.

Salesmen have accordingly turned their thought to means of getting the same paper to their patrons for less money. At once they have attacked the time-honored method of distributing wrapping paper from mill to retailer's store.

In the paper trades the wholesalers are known as "paper merchants." Except in name, they are jobbers of the same sort that exist with other trades, merely retaining the former designation of "merchants" rather than jobbers. The paper merchant buys from the paper mill in carload lots and reships in less-than-carload lots, either by rail or by truck.

For wrapping paper the department stores are carload buyers, with shipment direct from the mills; but of other retail stores, carload buyers are not numerous. The custom is to buy from jobbers.

A most obvious method to reduce the cost of paper is to think out some way to ship in carloads rather than in small lots. The spread of freight rates is usually from second class for less-than-carloads to fifth class for carloads. Yet, of course, the ordinary store cannot use carload lots.

In the larger cities, where paper merchants are located, delivery is generally

by truck from the merchant's stock. Rail movement does not enter the price.

The paper mills have turned their attention to users of wrapping paper in smaller cities—those of the class that do not support a jobber and which have, therefore, no spot stocks.

### Reshipping Causes Damage

**E**VERY time a bundle of paper is handled, some damage is threatened to the contents. Even with wrapping paper, claims for allowances are the bane of the paper merchant's existence. "Creases" matter little for wrapping paper, but torn or frayed edges cause wasted sheets. Rough handling will snag the corners of the bundle and cause as many claims as with print paper under the same conditions.

Claims for waste are heavy with every less-than-carload shipment. In facing these claims the jobber stands between the mill and the final customer. The jobber absorbs most of the loss, because his paper comes in carload lots and is without damage, but when he reships by freight he sends out smaller lots, which result in the claims.

### Many Types of Jobbers

**W**RAPPING paper is handled by many jobbers in addition to the regular paper merchants. Each type of wholesaler carries paper for his particular retailers as a matter of course. In this way the confectionery jobber sells wrapping paper and bags to his line of retailers; the hardware jobber stocks and sells paper; the jobber of daily products and dairy supplies does the same. In this way, in the city of Chicago, we have 38 recognized paper merchants, but 186 wholesalers who handle wrapping paper. Among these wholesalers the principal ones are: Builders' supplies, drugs, cigars and

cigarettes, confectionery, furniture and house-furnishings, hardware, dry goods, meats, sporting goods, automobile accessories, and dairy products.

It is thus seen that wrapping paper reaches the retailer through a multitude of wholesale outlets. A retailer in the Chicago trade territory might buy from a score of sources.

In the effort, however, to cut costs for this commodity, the mills are entering the field with their own direct selling; not, primarily, for the large cities, but for the smaller ones, where no jobber carries a spot stock.

The mill salesman holds out to each retailer in the smaller city the bait of carload freight rates from mill to his own city—fifth-class versus second-class rates.

In order to obtain these more favorable freights, the mill must obtain orders in the city for delivery at one time to aggregate a carload. If this is possible, the pool car brings the carload rates.

### Warehouse Stocks

**F**ROM this step, the next is inevitable. Pool cars will be brought up to the minimum loading through the inclusion of some paper for stock for account of the mill. Once the retailer buys at carload freight rates, he will never again be satisfied to pay less-than-carload rates, because he will feel that every cent of the higher freight is a loss to his profits—as, in fact, it will be.

The mills, out of this condition, are looking with favor on warehouse stocks of wrapping paper at many points where they have no jobber connections.

Not to be outdone, the paper merchants of the larger cities have entered the new competition. They recognize that local retailers, seventy-five miles from the big city, will no longer pay

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"Once Around  
the World"

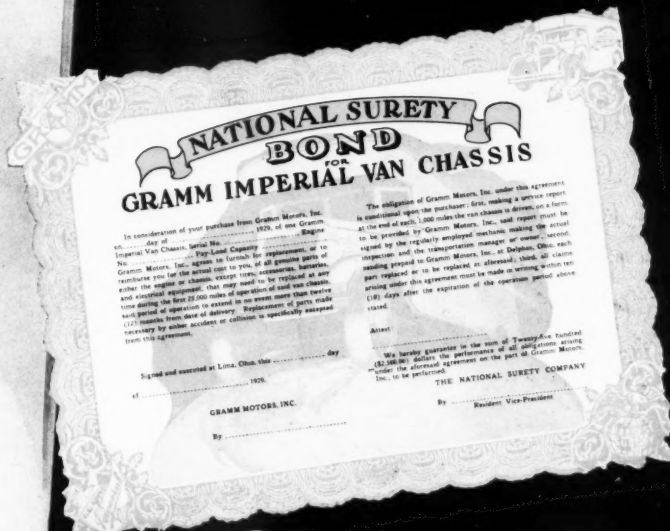
GRAMM MOTOR

STRENGTH

an



**THIS GUARANTEE**  
means dollars to you.  
We know what  
our chassis will do!



#### PRICES

Gramm Imperial  
"Senior" Chassis \$4985.00  
236" W. B. 125 H. P.

Gramm Imperial  
"Junior" Chassis \$3785.00  
190" or 210" W. B. 100 H. P.

Gramm Van Bodies  
Proven design for  
prompt installation  
1000 cubic ft. capacity..... \$1950.00  
800 cubic ft. capacity..... \$1650.00  
(including painting, lettering and mounting)  
F. O. B. our plant

Gramm Motors, Inc.  
Lima, Ohio

OR INC., Lima, Ohio

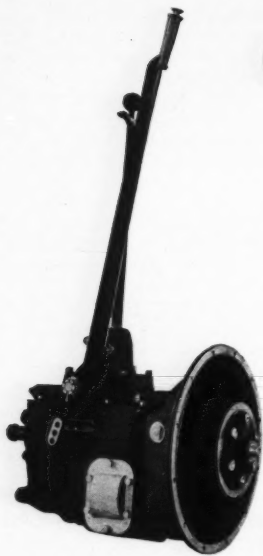
**SPEED Built to Lead!**





# Our Experience in the Van Field

. . . . developed the design of this  
**GRAMM IMPERIAL VAN CHASSIS**



It incorporates only units of tried and proven ability, to meet the requirements of high speed long distance hauling.

Six cylinder, exclusive design engines developing more power than ever before introduced in commercial vehicles—brings to the Van operator

an abundance of speed and power to meet all conditions—Economically!

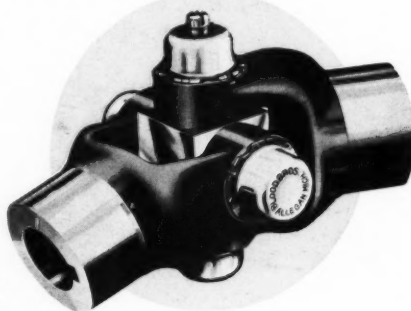
All other Grammm Imperial Van Chassis units are built in accordance with these high powered, dual ignition, six cylinder engines, to give Bonded Performance!



The Grammm Imperial clutch and transmission more than handles the unusual power of these large engines—giving smooth, quiet and positive operation.

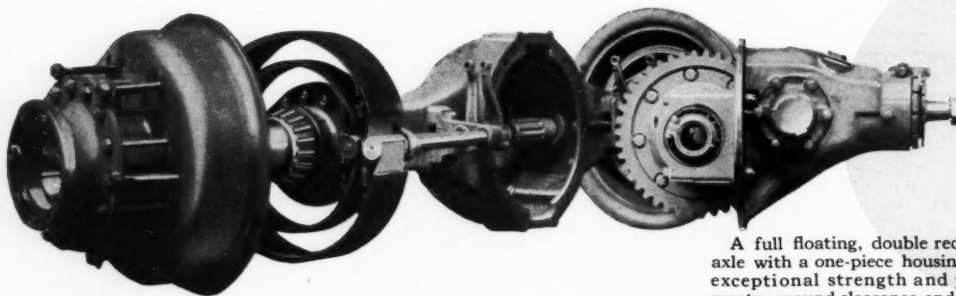


A steering gear that permits ease of control and positive action without road shock.

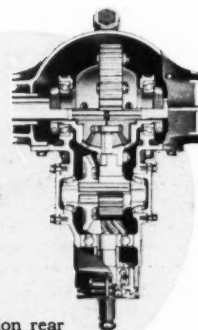


Long wearing, easily lubricated universal joints, oversized to give continuous and uninterrupted service.

Over one hundred engineers have approved this rear axle design—and other skilled axle engineers have shown their approval by incorporating in their latest products some of the features, including some on which patents are pending.



A full floating, double reduction rear axle with a one-piece housing providing exceptional strength and permitting greater ground clearance and lower body floors, with a lower center of gravity for the entire vehicle and resultant safety in high speed hauling.



Executive Office:  
Lima, Ohio

## GRAMM MOTORS, INC.

Builders of Fine Motor Vans and Trucks

Factory:  
Delphos, Ohio



(Concluded from page 32)

for reshipment from the city. The paper merchants are, therefore, soliciting orders on a new basis—that of enough from a locality to make up a pool car to be shipped from the mill direct. As a rule, this carload bears the same freight rate as it would to the paper merchant's plant in the larger city. He saves the handling through his own warerooms. Either one local retailer attends to breaking up the pool car or the matter is turned over to some local warehouseman or truckman. The method makes little difference. The important feature is that a group of local retailers may now obtain their wrapping paper at a less cost than formerly.

#### A Warehouse Opportunity

TO the warehouseman in the large city no new business is available from this source. If your city has paper merchants or others who regularly wholesale wrapping paper, no change is likely in the marketing of this commodity in your city.

But if your city is one without such paper stocks, the likelihood is that either

some paper mill or some maker of paper bags or some paper merchant is beginning to solicit wrapping paper business on the new basis.

It is only one step from pool-car buying to establishing a local warehouse stock for fast-moving items. The paper merchants of a neighboring jobbing center will shortly consign carloads to the smaller city, for local use, rather than ship everything from the mills to their own city stock. The mill, selling direct, will do the same thing.

In either instance the local warehouse becomes the logical place for the stock of wrapping paper.

The approach to the business is by inquiry among local retailers. From them a warehouseman may learn the usual source of their wrapping paper, and, knowing that source, the way is shown for soliciting the storage business.

If a distant mill is selling direct, the mill's agency is the point of first attack; later the mill may require solicitation.

If a paper merchant in a larger city now has the local business, that merchant is the proper person to solicit with the usual reasons why carload lots

for local distribution save money both for seller and buyer.

At a recent convention of makers of wrapping paper it was stated that direct mill selling of bags and wrapping paper has multiplied four-fold during 1928. One leader in the industry declared:

"More thought has been given to merchandizing wrapping paper this year than in the forty that went before. . . . Our own company is saving \$300,000 for our customers more than in 1927 by the simple scheme of getting their goods to them on the carload basis."

A paper merchant at the same meeting expresses the belief that:

"I look for a complete separation of wrapping paper and twine from printing paper. In the past they have gone together as a general jobbing line of paper. But all the brown papers now require a different selling technique. They cannot stand the high costs of printers' paper. I can see forty spot stocks of wrapping paper in my territory for every one of printers' stock, and that means divorce of the two so far as we jobbers are concerned."

### National Chamber of Commerce Holding Referendum on Coordinated Highway Planning and Administration by State and Local Authorities

DISTRIBUTION AND WAREHOUSING'S  
Washington Bureau,  
1163 National Press Building.

A SERIES of recommendations looking to the promotion of coordinated highway planning and administration by State and local authorities were submitted on Jan. 12 to a referendum vote of the member organizations of the Chamber of Commerce of the United States. The result of the balloting will be announced about March 1.

The recommendations were drafted by a special committee after a careful study of the whole field of State and local road administration.

The committee approves of State highway departments having authority to develop complete road programs and to have advisory or supervisory relations to local authorities in their road work; of bringing local road authorities together to an extent sufficient to justify the employment of expert technical services and the definite planning of local road work; and of coordinated planning of highways in metropolitan areas and as far as possible the financing of construction as well as maintenance of roads of general motor use by highway users.

The specific proposals upon which more than sixteen hundred business organizations are asked to vote are as follows:

1. That State Legislatures should give the highway departments or commissions wide authority, within financial limitations properly fixed in relation to the whole financial program of the State, to develop highway programs on sound social and economic grounds and maintain adequate organizations with the needed continuity.

2. That State highway departments or commissions should have advisory relationship or actual technical and administrative supervision over road programs of smaller political units outside of municipalities to insure well planned and economical development and maintenance of the entire road system.

3. That in States where the State highway system does not include all the improved roads, smaller political units unable to afford adequate technical organizations for their road work should be joined into suitable larger highway units, to the end that they may coordinate their respective programs and secure economic administration.

4. That the responsible authorities should establish definite plans for local road work, taking into account in determining economic justification the actual or potential use of each existing road and the best means of providing the necessary highway access.

5. That coordinated planning of the highway systems of metropolitan areas, including connections with surrounding territory, be provided through voluntary agreement of the responsible authorities of the several jurisdictions or, if necessary, by legislation.

6. That programs for construction and maintenance of highways of general motor use should be financed as far as possible by highway users, and that revenues derived from other sources should be limited by the general benefits resulting from the improvements and by the ability to pay.

The committee's report points out that "our annual highway expenditures for construction and maintenance, exclusive of city streets, are now nearly one and one-half billion dollars. Federal high-

way expenditures are approximately \$100,000,000 per annum, devoted almost entirely to construction, as the Federal Government does not participate in the maintenance of Federal-aid highways. The States are spending about \$500,000,000 per year for construction and \$150,000,000 for maintenance. The counties and smaller units are spending about the same total, which cannot be accurately segregated as between construction and maintenance because of the lack of organization for either construction or maintenance in a large percentage of these units and consequent lack of proper accounting." The report continues:

"Highways and education constitute the two largest single items in the public budget. While the motor vehicle in 1927 directly contributed toward the costs of government \$301,061,132 in registration and license fees, \$258,838,813 in gasoline taxes, \$60,473,708 in excise taxes, and an amount estimated at \$125,000,000 in personal property taxes, besides large amounts contributed indirectly through the taxes on garages, filling stations and the like, the general taxpayer is also called upon for large sums for highway purposes. The magnitude of the foregoing amounts and the wide variation in their distribution point to the importance of careful study of the principles which should govern in the whole realm of highway administration to secure the maximum economy and efficiency."

It is explained by the committee that "city streets come within the scope of this study only in so far as they may be part of highway routes," and the committee believes that the outstanding

(Concluded on page 58)

# WHAT'S WHAT IN NEW BUILDINGS

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## Fidelity Fire-Proof Warehouse New York City

**T**HE latest storage convenience in the Yorkville residential district in New York City is the Fidelity Fire-Proof Warehouse now being erected on East Eighty-seventh Street, near Lexington Avenue, by Charles A. Collins, the company's president and principal owner. The structure will be eleven stories high and will occupy a plot 50 by 100 feet.

Every modern facility for handling and caring for household effects is being arranged. The office, on the ground floor, is a literal wealth of spaciousness. It is being furnished in Caucasian walnut with a two-toned block terrazzo floor, verdi-antique marble counters and elaborately decorated ceiling lights. To the rear will be a well appointed ladies' rest room, directly along which will run a corridor leading to the passenger elevator and silver vault. The special feature of this vault is the thickness of the walls and door, approved by the underwriters and therefore affording the minimum insurance rate.

The trunk vault immediately below the silver depositary is accessible through the office.

Blocking the sidewalk by shipping will be entirely eliminated, for trucks will be able to drive direct to the loading platform, approximately in the center of the building, where the elevator is located.

The packing room in the basement will have an especially constructed concrete bin for material.

The second floor will be suitably arranged for an auction room, except for a part that will be for the storage of pianos and other musical instruments and which will be kept at an even temperature all the year round.

The third floor will be devoted to the storage and demothing process of rugs, garments, suits

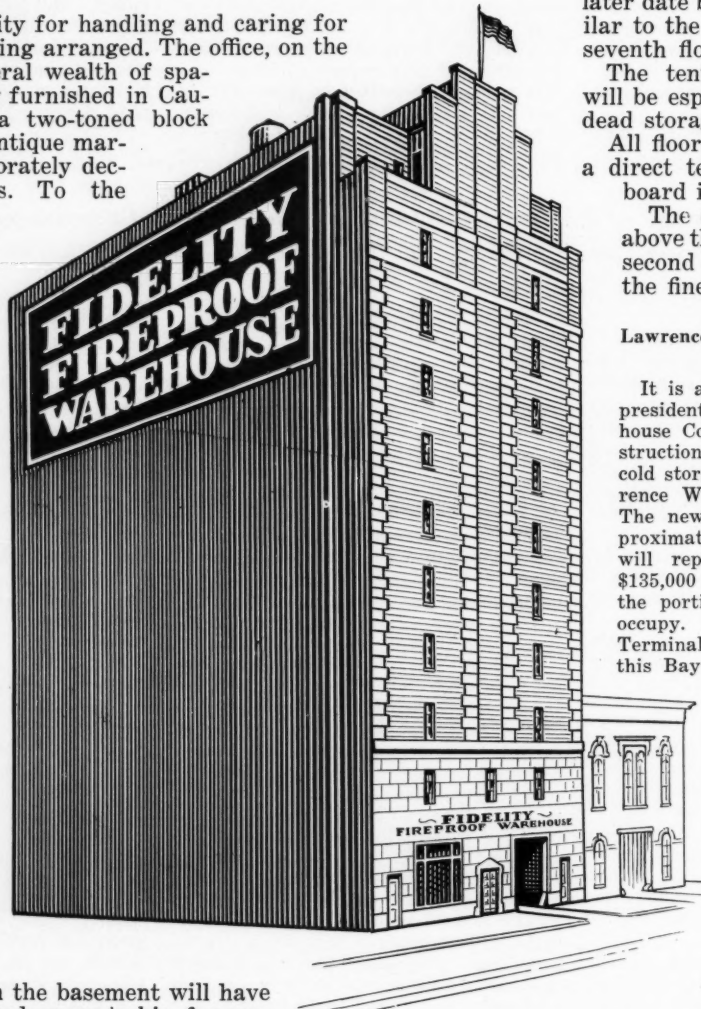
and other household goods affected by moths. The fourth, fifth, sixth and seventh floors will be partitioned off into private compartments with self-closing doors approved by the underwriters, for the storage of household effects.

The eighth and ninth stories will be constructed for open storage, which can at a later date be built up in rooms similar to the fourth, fifth, sixth and seventh floors.

The tenth and eleventh floors will be especially designed for the dead storage of automobiles.

All floors will be equipped with a direct telephone to the switchboard in the main office.

The exterior street frontage above the arches running to the second story will be finished in the finest quality brown brick.



### Lawrence Co. to Build Cold Storage Plant in Oakland

It is announced by A. T. Gibson, president of the Lawrence Warehouse Co., San Francisco, that construction will start immediately on cold storage unit No. 1 of the Lawrence Warehouse Gibson Terminal. The new plant is to comprise approximately 300,000 cubic feet and will represent an expenditure of \$135,000 in addition to the value of the portion of the building it will occupy. It will make the Gibson Terminal the only warehouse in this Bay District offering both dry and cold storage.

The location of the Gibson Terminal at Water and Webster Streets is on the inner harbor of Oakland. It is in the heart of the commission district, has spur track facilities and is in a position to offer precooling service on perishables to be exported.

"Adequate modern cold storage facilities," according to Mr. Gibson, "have been an Oakland problem of

ever increasing concern to those interested in the development of Oakland as a rail and water distribution center. While we feel that a 300,000 cubic foot plant will be adequate for the present needs of the East Bay, we are leaving plenty of room for expansion at short notice, and we intend to keep abreast of Oakland as it develops as a distribution center for perishables."

The new unit is to be ready by the middle of March.



# MOTOR FREIGHT DEVELOPMENTS

FOR the busy executive of a warehousing business who is keen to keep abreast of the times there are several important new things to think about in the field of motor freight. Developments are following one another at a rapid pace, and all have a distinct bearing on the cost and opportunities of handling the hauling requirements of any warehouse business, regardless of its size. There are many advancements being made on the manufacturers' side of the industry, and some of these will be discussed in this department, which is conducted

By PHILIP L. SNIFFIN

## THIS MONTH

### Economy by Avoiding Traffic Delays and Accidents. Truck Efficiency at Mercy of Congestion. Here Are Some Answers to the Problem

**T**RAFFIC congestion is costing warehouse owners stupendous sums every year. The problem is one which increases in importance all the time. Engineers, whose job it is to put each motor vehicle to work with the maximum performance and economy, are finding that the handicap of slow-moving traffic is becoming increasingly serious. Traffic congestion is having a very definite limiting effect on the vehicles ability to produce transportation.

To overcome the cause of this congestion will take years. It involves wide and expensive changes and additions to our streets and highways. Meanwhile those operators of motor vehicles whose costs are at the mercy of this "stone wall" to delivery improvement are endeavoring to do all they can to minimize its effect.

The high cost of traffic congestion has prompted many users of delivery vehicles, and many engineers employed by them, to experiment with new routing plans and new scheduling systems, hoping in this way to avoid locations and periods of the day which cause the greatest delay.

Concerns which are interested principally in residential deliveries within a city are experimenting with schemes

whereby their drivers may reach points of delivery without passing through the sections which are most congested.

The adage that "the longest way around is the shortest way home" is proving to them to contain considerable truth. They are plotting their cities and suggesting methods to their drivers to help them reach outlying or distant sections in the quickest possible time.

Concerns which have other types of delivery, involving intercity or long distance hauls, are finding tremendous economies in routing the vehicles to make the hauls during the night. One operator, for instance, has more than doubled his truck performance by arranging to have his trucks leave one city during the evening and arrive at their destination during the early hours of the next morning.

Formerly they started around five in the afternoon and their progress was much delayed by the homeward-bound rush of the city's population. Accidents also were frequent.

Now the trucks leave at 4.30 in the afternoon and the driver has his dinner on the road or, if late shipments delay the departure, he eats before he starts out and leaves shortly after six. In either case the peak of traffic congestion between five and six in the afternoon is avoided.

#### Personal Interest Is Necessary

**T**HE arrangement of routes to gain a minimum of delay in running time is no haphazard matter. Some one within the organization must take this as a serious problem and conduct experiments until the ideal scheme is discovered.

Often it will be found that it will be better to rearrange the routes entirely, to split the work of drivers differently, and to place various types of vehicles on different kinds of routes.

Routes which involve delays that cannot possibly be avoided should not be served by fast-running and more expensive equipment, inasmuch as the "dead mileage" and idle time render the cost of the work prohibitive.

Older vehicles, less expensive vehicles or, in many cases, horses, electrics,

motorcycle cars or push carts, can handle special delivery requirements in congested areas with much greater economy.

The owner of one business recently explained to the writer the results of some experiments he carried through to accomplish this. He spent several weeks going over the territory in a passenger car, during which time he noted condition of roads, early morning traffic conditions, mileage by alternate routes, and many other details. During the course of the inquiry he trained the man now in charge of delivery. He asked one of his assistants to help him with the investigation of routes, and when the work was completed he put the assistant in charge of the routing of vehicles.

This owner explains that whereas previously he had contemplated adding

two more vehicles to handle the work, after the experiments, and with the carrying out of the improvements suggested by them, he has found that, with the same number of vehicles employed, he actually had too many trucks on his hands.

This, certainly, is wonderful testimony to the opportunities that lie in routing trucks to overcome traffic delays. To anyone who is in a position to observe the almost heart-breaking effect of congestion on the average delivery system, it seems easily possible that as much could be accomplished by any business which will conduct similar experiments.

#### Ideas That Will Help

**O**NE concern, discovering that traffic tie-ups were playing havoc with its route costs, set about to analyze the



This van, for long distance hauling of household goods, was recently put into service by Hildenbrand Bros., Philadelphia. Mounted on a Diamond T 6-cylinder, 3-ton chassis with a 240-in. wheelbase, the body is 20 ft. by 7 ft. by 7 ft. 6 in. and has a capacity of 1016 cu. ft. A strip of thirty-five electric lights has been installed over the eaves and these are illuminated when the truck passes through cities and towns at night, thus adding to the advertising value of the vehicle. At either side of the body is a center door, and there is a door in the rear, the three facilitating loading and unloading, especially on narrow streets, and also enabling the truck to carry two loads.

kinds of routes covered by its delivery department.

It found that there were two distinctly separate kinds of routes served by this company's system—first, the routes concentrated well within the city limits; and, second, those outside of the city which required a long run through the city to reach the territory to be served.

So the delivery manager spent a few days experimenting with traffic conditions, using his own automobile to test the time required to reach a certain point or to negotiate certain sections in various ways.

Each route was considered separately in this way, and specific recommendations were made to drivers as to the best ways to make time by avoiding busy places. Often it was found that a much longer way around would be considerably quicker, and, in addition to this, routes were discovered which offered better pavements than many of those which would be ordinarily used in getting to a certain place.

As a result of this inquiry, the owner of the business obtained a large map of the territory and marked with colored pencils the summary of his suggestions. Busy street corners where holdups were unusually long were marked with a heavy red cross. Streets where slow moving traffic or rough cobblestone pavement would cause delay were indicated with a heavy red line. Good routes were marked in blue. This lettering appeared under the map when it was posted: "Avoid the red spots whenever you can. The blue lines will get you there more quickly."

This instance recalls another idea, used by a concern operating about fifteen trucks in an eastern city with a radius of business extending in many cases as far as fifteen or twenty miles. This concern has a large blackboard, with the heading "Information," posted in the main garage. On this blackboard the drivers post any helpful information which they believe will be of value to other drivers in their trips from day today. Such things as conditions

of roads, detours, sections of streets to avoid, speed traps, new locations of stopping places, best routes, etc., are the subjects usually referred to in the comments the drivers have been placing on the board.

A piece of white chalk is always at hand, tied to the board with string, and every now and then the route manager will go over the remarks, erasing the ones which are obsolete and making room for new ones.

Many concerns give every driver a street map of the territory he covers. These maps are usually obtainable in any city without cost. Ask your real estate friend. They will save time on routes by enabling the driver to spot the location immediately and get there in the quickest possible way.

Some concerns see that there is a local telephone book or city directory in every truck cab so that they may easily check up without returning to the office when a wrong address has been given.

It is a good idea to make someone in your organization responsible for keeping abreast of traffic and route conditions. See that he informs drivers of any points that will help them to make quicker time. Have him make a study of places where the vehicles are likely to get caught in a traffic jam and inform drivers as to the best ways to avoid such points.

It will be well worth the cost to let a man test the time required to reach a certain section by different routes and to recommend the best routes to drivers. Let him be the driver's "information bureau" and have him keep a map always marked to show the important route data up-to-date. Under most conditions it does not require much effort to save a half-hour in each four hours of running, and this is a very considerable amount when totaled per week for all trucks; to say nothing of the saving in gasoline and tire cost.

#### Experimenting With Vehicle Types

**I**N order to meet the present emergency caused by increasing traffic, the delivery department has still an-

other means to which it may look for help. This is in experiments with various types of vehicles in an effort to place the kinds of trucks on congested routes that will help the most to offset the loss.

In this connection it may be well to repeat what was said in a previous article regarding the motorcycle car. Units of this equipment are being made to handle a considerable size and weight of load and there is much reason to believe that, with the much smaller space required for parking, the much greater ease with which the vehicle can be maneuvered into a small space, and with the greater flexibility in traffic, this method might well be considered by any concern confronted with the problem of traffic congestion.

In many businesses, furthermore, those executives who are responsible for deliveries are finding that they have one other consideration that is lined up with this problem of traffic congestion. How can they prevent this congestion and its effects from eating too deeply into their actual present delivery costs?

They are doing it in the ways suggested in the foregoing, of course, in cutting down however they can the increasing delays they are experiencing in making deliveries.

But beyond this they are looking into the problem more deeply to find the cost effects in the case of different types of vehicles.

In many cases on such delivery work, where delays are becoming more and more frequent, the gasoline truck is giving way somewhat to the electric truck. The gasoline truck, although it undoubtedly accelerates more quickly, gets in and out of traffic with greater facility, and is all in all a faster unit, is, at the same time, a more expensive unit on such work than the electric truck. This, at least, is the finding of a number of tests which have been made.

The running costs of the gasoline vehicle, the wear and tear on parts, continue throughout the various intervals of delay, whereas with the electric truck these costs exist only when the vehicle is in motion. Moreover, the continuous stopping and starting and the necessity for frequently changing gears, are a strain on the mechanism of the gasoline truck, not true with the electric truck; and this, of course, in respect to any argument for lower costs, is another point in the electric's advantage on such delivery work.

There is much opportunity to counteract the effects of traffic congestion by carefully looking into the types of vehicles employed to do the work that is affected by it.

Smaller trucks, bigger trucks, trucks of shorter wheelbase, electric trucks, tractor-trailers, motorcycle side cars—and even pushcarts—all have important points for consideration.

It is a new and different set of conditions that must be looked upon from a somewhat different light than those which originally—and even now ordinarily—pertain to truck economy.

### Efforts Must Be Organized

THE truck user, however, who has a given amount and kind of equipment with which to work and who is not in a position radically to change the vehicles to accommodate traffic congestion, will find that the time study offers real relief with the least expenditure of time and money.

A time study such as this does not involve any great difficulty. It is a case of *knowing your city* and the ins and outs of its traffic conditions.

Drivers themselves are sometimes, but not always, keen to discover the quickest routes, but the subject is so important in its economy aspects that it deserves some central thought and specific recommendation. It is a very worthwhile plan to procure a detailed street map or maps of the delivery territory, to post these conspicuously in the garage, and to mark red crosses for congested spots to be avoided and blue lines for quickest routes to be followed.

The best plan, and that which is used by most concerns, is to test the time taken by a vehicle from one point to another by various routes and to post the quickest routes for the information of drivers. In one city of 75,000 population an experiment of this kind was particularly fruitful of results. It was found that by cutting out certain intersections where delay was encountered through traffic lights it was possible to avoid a total of seven lights, which meant a saving of from five to ten minutes in running time from one end of the city to the other.

It is not necessary to skirt the city to obtain time economies such as this. The simple expedient of taking a right turn, a left turn and another right turn a block ahead of a light signal will serve many a good purpose.

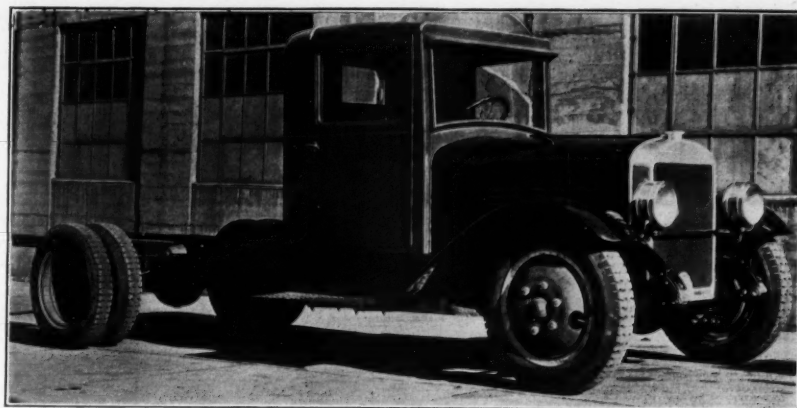
### Graham Trucks to Be Under Dodge Name Hereafter

Announcement is made by the Dodge Brothers Corporation, a division of the Chrysler Corporation, that all trucks, buses and motor coaches built by Dodge Brothers under the name of Graham Brothers are to be known in the future as Dodge Brothers trucks, buses and motor coaches.

Forty-two types of truck chassis, with wheelbases of 110 to 185 inches, are included in the line. When combined with the various body styles and equipment, gear ratios, tires, wheels, etc., they extend to many hundreds of truck types designed to meet more than 96 per cent of all hauling requirements. All are powered with 6-cylinder engines and have 4-wheel brakes.

### Hahn Corporation Buys Selden

The Hahn Motor Truck Corporation, Allentown, Pa., has purchased the business, good will, patterns, patents, trademarks and trade names, production and service inventory and finished trucks, fixtures, machinery, etc., and certain of



Here is the new 2-ton model, designated Series 20, put on the market by the LeBlond-Schacht Truck Co., Cincinnati. It is a 6-cylinder, 70 hp. vehicle with 4 speeds forward, Timken full floating rear axle, Lockheed 4-wheel hydraulic brakes, Spicer universal joints and Ross cam and lever steering gear. The chassis weighs 4500 lb. and with full load under favorable operating conditions a speed of 40 miles an hour is obtainable. Two wheelbases are optional—160 and 174 in., to accommodate bodies ranging from 10 to 13 ft. The list price is \$1,850 for this model, including electric lights and generator, battery, front bumper, air cleaner, oil filter, fuel pump, speedometer, horn, jack and tools. Engine and radiator are rubber mounted.

the assets, of the Selden Truck Corporation, Selden Sales & Service Company of New York, Inc., and Selden Sales & Service Company of Massachusetts.

### Ford Increases Truck Prices

The Ford Motor Co., Detroit, has announced the following new prices on its

commercial vehicles with bevel gear rear axles:

Model A chassis, \$365, from \$325.

Pick-up body truck with open cab, \$455, from \$395.

Pick-up body truck with closed cab, \$495, from \$445.

The company has introduced a panel delivery truck listing at \$615.

## Putting Personality in the Company's Correspondence

HOW many times are your letters to other business concerns lost, strayed or mislaid—yes, discarded—by the recipient because it was just too much trouble to file them where they can be easily found when wanted? It is especially disheartening to have your communications suffer such a fate after you spent many hours gathering statistics and other data which should be of value to the recipient.

The Burch Warehouse & Transfer Co., Inc., Pueblo, Colo., not only goes to considerable trouble and effort to write the letters and include in them all of the data required, but the firm visualizes the situation on the other end and makes its letters easy to be filed, and, after filing, easy to find.

The company operates a bonded warehouse and much of its business comes from manufacturers and jobbers in other sections of the country who store merchandise with the Burches and distribute from Pueblo to much of southern Colorado and New Mexico. Jobbers and manufacturers are interested in freight and motor truck rates to various points. Thus the correspondence frequently deals with statistics.

With the first letter, the Burch company sends an individual folder, just the size to fit into a vertical letter file. The folder is more than individual; it is personal, for the names of the two firms have been printed on the outside. While data is being gathered for the letter, the office boy goes to a linotype shop and

has a few slugs cast to print the names of the two firms on the folder, and another slug in smaller type to print the name of the firm with whom the warehouse company is corresponding on the second, third, fourth, etc., pages of the letter. This little notation reads: "The Burch Warehouse and Transfer Company in Correspondence with the \_\_\_\_\_ Company. Page \_\_\_\_\_."

The company operates a small printing plant and it takes only a few moments to print the two folders, one for the warehouse company's files and the other for the customer's files, and a dozen or more second pages.

The first letter is sent inside the folder and the mailing is made in a large envelope so that the customer receives the letter flat. After he reads it he may immediately file it.

The carbon copy of the letter is filed in the second folder in the warehouse company's files, along with the surplus letterheads and second sheets, and all future correspondence with that customer is filed in that folder. The surplus stationery is used for subsequent letters to the customer.

### New Long Island Firm

A firm to be known as the Nassau Commercial Warehouses has been incorporated in Hempstead, N. Y., with a capitalization of \$10,000. The principal incorporator is B. E. Burston.



# WITH THE ASSOCIATIONS

HERE is presented in tabloid form the Association news that is of general interest to the industry as a whole. No effort is made to present complete reports of all Association meetings; the dissemination of such information is logically the work of the officers and the committee chairmen. What is presented here is in effect a cross-section review of the major activities so that Association members may be kept advised as to what "the other fellow" elsewhere in the country is thinking and doing. When annual or semi-annual meetings are held, more extended reports will occasionally be published.

## Texas

ON behalf of the Texas Warehouse & Transfermen's Association, the field secretary, Col. Neill H. Banister, Houston, has presented a memorial, setting forth the organization's position on State highway problems, to the Governor's advisory committee of thirty-one which is preparing recommendations for the Forty-first Legislature. It is anticipated by the Texas warehousemen that the Legislature will make a general revisory law, pertaining to highway construction and maintenance, which will include the licensing, with fees levied, of motor vehicles.

The memorial, based on the storage operators' experience, reads:

"I. This association is of record as favoring a State-wide bond issue for the construction and maintenance of the highways of this State. It believes that some such plan as that advocated by the Highway Club of Texas, by R. S. Sterling, present chairman of the Commission, can, by proper legislation, be made feasible. In any such bond issue, it naturally favors issue of bonds each year in such amounts only as can be judiciously expended and to avoid excessive interest.

"II. It adheres to the gallonage tax as the proper method of the retirement of such bonds. This association believes the gallonage tax to be the most equitable method of ascertaining revenues for road construction and maintenance, believing that the differential in gasoline used by motor vehicles of various sizes should absorb the greater part of the differential which is now reflected in license and horse power and weight fees.

"III. Our membership believes that the license fee system should be simplified, and that a graduated and reasonable flat fee basis should be adopted. Suggesting a graduated fee from \$5 to \$50 as minimum and maximum.

"IV. It is the belief of our members that, if a practical solution of the problem can be worked out, a motor vehicle should be sold and one original license number issued, such license number to run for the life of the car.

"V. It is believed that the first trailer of a motor unit should bear a reasonable flat license fee and that successive trailers for such unit should bear a very nominal license fee.

"VI. It is believed that weight limits

should be raised somewhat and that load tests should be per axle and not per wheel. Suggesting from 18,000 to 20,000 pounds per axle.

"VII. It is believed that the present maximum load width of 92 inches to be adequate.

"VIII. For the safety of the traveling public, we believe that the overall length of a vehicle or leading units, combined with trailer units, should be limited to a reasonable figure.

"IX. We believe, if possible, the head-

gravel machinery, safe doors, etc. Too frequently these commodities cannot be disassembled or dismantled, and yet their transportation is essential in the present stage of growth of the country and cities of our State. Such equipment, by reason of its only occasional use and its heavy cost price, cannot stand a license in proportion to other motor vehicles. Such equipment naturally will be owned and operated by only a few firms in each city, such firms making proper showing of responsibility to the Highway Commission for any damage which the use of such heavy equipment might cause to streets and bridges. It is suggested that special license or permit could be issued by the Commission to responsible firms or individuals, upon application therefor, setting out description, weight, width, length, etc., of such proposed piece of equipment.

"This is very important to our operators who are engaged in this particular field, because so many commodities to be moved are clearly without the law, and yet we recognize them as being essential to our present growth. It is hoped that the Committee will recommend that a section of the law will be written to cover this matter. At present our operators are fined from time to time for hauling articles that everyone knows are absolutely essential to the growth of a town or city. We wish to have your recommendation to cure this defect in our present law.

"XI. We believe that if a proper and suitable taxable substitute could be secured, from which equal or greater revenues could be obtained, the constitution should be amended so as to permit all of the gasoline tax to be used in road construction and maintenance, and the substitution applied to the public school fund.

"XII. We believe a definite and simply arrived at proportion of gallonage taxes and license fees should be retained by the respective counties for the construction and maintenance of lateral roads. Such roads in the aggregate are as vital to the ordinary citizen as is the trunk line highway.

"XIV. We believe it an erroneous theory to accommodate and legislate equipment to fit unstable and temporary roads, rather holding to the theory that roads should be developed to bear all the traffic reasonably needed to transport

## New Membership Affiliations

### American Warehousemen's Association (Merchandise Division)

Cuban Warehouses Corporation,  
Havana.  
Richards Storage Corporation, Grand  
Rapids, Mich.  
Mitsubishi Warehouse Co., Ltd.,  
Tokio, Japan.

### Massachusetts Warehousemen's Association

North Station Industrial Building,  
Inc., Boston.

### Michigan Furniture Warehousemen's Association

Booth Bros. Transfer & Storage,  
Sault Ste. Marie.

### Pacific Coast Furniture Warehousemen's Association

Argonne Fireproof Storage Co., Los  
Angeles.  
Beverly Hills Transfer & Storage Co.,  
Beverly Hills, Cal.

### Southern Warehousemen's Association

American Storage & Warehouse Co.,  
Charlotte, N. C.  
Security Warehouse Co., Atlanta.  
Union Storage & Warehouse Co.,  
Charlotte, N. C.

light law should be made more understandable, and should be prescribed and enforced.

"X. We believe that there should be provided in the State highway laws authority in the Highway Commission to issue a special permit and license for the operation of heavy equipment for the hauling of heavy commodities, which manifestly cannot come within the weight limits. We refer to heavy steel beams and girders for buildings, transformers and condensers, boilers, engines, heavy

the luxuries and necessities to and from our peoples.

"XV. We also ask that the Committee impartially weigh the proposition which will be submitted to it, tending in some cases to outlaw the truck. We believe that the truck is one of the greatest conveniences to all of our people in every walk of life. The truck takes to distant communities practically every article used in their business and in their households. It affords them a distinct service for which they, as tax payers, are willing to share a portion of the taxes to build arteries which can accommodate them. The poor truck owner must not be esteemed a pirate, operating over a line prepared for him by others, and for his own aggrandizement. Under the gallonage tax, he will pay well within, if not above, his rightful portion of taxes to build and maintain the very road over which he operates to the convenience of all the people who live along the way. At the root of the matter, the truth is that the truck and bus operator will practically pay for a fine turnpike for the private car owner who uses the highway only occasionally. And finally, nothing could do more to hurt the development of our State in every respect than a failure of our lawmakers to recognize the absolute necessity of the truck in our economic development, and for them to allow confiscatory and discriminatory tax and license measures to be embodied in the law.

"XVI. This association believes there should be adopted in this State a uniform and reasonable traffic code, with such constabulary or patrols as is necessary to insure its efficient operation and enforcement."

### Massachusetts

**G**EORGE S. LOVEJOY, founder of the Massachusetts Warehousemen's Association and for many years its president prior to his illness, presided at the December meeting of the Bay State organization, held at the Exchange Club in Boston on the 18th. Mr. Lovejoy's "pinch hitting" as chairman was due to the fact that Samuel G. Spear, the president was in Washington with several other storage executives, attending a United States Shipping Board hearing on the lease of the Boston Army Base.

The proposed "free port" for Boston was discussed, and for the most part the members took a neutral attitude.

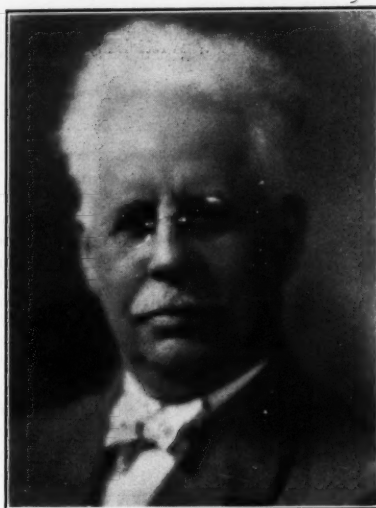
Olim M. Jacobs, secretary, was instructed to represent the association at the convention of the National Furniture Warehousemen's Association at Del Monte, Cal., in January.

—S. F. Holland.

### Michigan F. W. A.

**A** VOTE of confidence in the form of a unanimous reelection was extended to the officers of the Michigan Furniture Warehousemen's Association at the annual meeting held at the Hotel Fort Shelby in Detroit on Dec. 10. The offi-

### Charles H. Behre



*President of the recently-organized New Orleans Warehousemen's Association, Mr. Behre is president of the Pelican Cold Storage & Warehousing Co., Ltd.*

cers and directors for 1929 are as follows:

President, James D. Dunn, president Riverside Storage & Cartage Co., Inc., Detroit.

Vice-president, Arthur A. Leonard, president Leonard Detroit Storage Co., Detroit.

Secretary, H. H. Hardy, secretary Fireproof Storage Co., Lansing.

Directors, B. C. Hubbard, general manager Richards Storage Corp., Grand Rapids, Kalamazoo and Muskegon; A. A. Boone, partner Citizens Transfer & Storage Co., Holland; E. F. Raseman, treasurer National Storage Co., Kalamazoo; Henry H. Stevens, president Flint Fireproof Storage Co., Flint; Frank X. Zech, general manager Wolverine Storage Co., Inc., Detroit.

Mr. Dunn presided at the meeting and the roll call showed fifty-seven men present representing member companies. A round table discussion of business conditions developed that most of the men were finding it fair. The arbitration rules of the National Furniture Warehousemen's Association were added to the constitution and bylaws.

Ralph J. Wood, Chicago, secretary of the National, outlined the plans for the parent organization's Del Monte convention; and Joseph H. Meyer, Chicago, a director of the National, told of the plan for some of the delegates to Del Monte to take a subsequent trip to Hawaii. Henry Reimers, Chicago, the National's executive secretary, distributed copies of the Allied Van Lines' new tariff, and explained its provisions, and a resolution was adopted approving the schedule with slight modifications.

Other visitors included Howard Tierney, New York, of Cass, Tierney & Johansing, who went into detail regard-

ing new insurance policies prepared for presentation at Del Monte; William Hoag, Chicago; E. C. Shaner, Chicago, and Don C. Jordan, Detroit, executive secretary of the Michigan Warehousemen's Association.

Dinner and an entertainment were provided in the evening by the Detroit Furniture Warehousemen's Association.

—H. L. Lawson.

### New York State

**A** FORECAST of the legislative situation at Albany "shows that the ever-arising subject of the gas tax will be more prominent this year and more formidable to defeat than probably ever before," according to William T. Bostwick, New York City, secretary of the New York State Warehousemen's Association, in a recent bulletin to the organization's members.

"It appears," to quote Mr. Bostwick, "that Governor Roosevelt has appointed some experts to study the farm situation in New York State, and, partly as a result of their investigations and their suggestions, it is rumored that a program will be introduced at Albany this winter whereby the State will take over the building and maintenance of highways from the local counties, thus relieving the local counties of this expense.

"Any such program would naturally burden the State with additional expense running into many millions of dollars. Meager information places the sum as high as thirty or forty million dollars per year. To raise this amount a gas tax would be one of the inevitable sources. One of the unfair results of such procedure will be the fact that truckmen in the larger cities will be paying the expenses of the highways in the country sections, as of course the major consumption of gasoline is reached in the large centers.

Massachusetts has been experimenting with a compulsory liability insurance law for over a year. Of course it is too early to state that such a law is a failure, but the fact remains that the rates set originally for such insurance by the State fund have been raised considerably. In addition to this fact, several of the conference insurance companies have withdrawn from Massachusetts, due to the tremendous increase in claims. A quick analysis of the situation appears to show that accidents have not decreased but that claims have increased tremendously, including thousands of fraudulent claims which were not thought of prior to the enactment of the compulsory insurance law.

"In this State, certain of the automobile clubs, wishing to avoid the mistakes made in Massachusetts but believing that compulsory insurance was at least theoretically necessary and that the responsibility of the driver should be assured, have formulated a new plan which it appears they are going to present at Albany. According to this plan the Commissioner of Motor Vehicles of the State would have the power to suspend both the license of the driver and



## Arthur A. Leonard



Re-elected president of the Detroit Furniture Warehousemen's Association

the license of the vehicle in the event that the claim of one party or the other was not paid promptly after an accident. Such suspension would be granted upon the application of either party to the accident. The suggested scheme does not take into consideration the actual liability of the driver and does not hinge on the decision of a court of law. Under these circumstances, a perfectly innocent participant in an accident could be placed in the position of having his license and that of his car taken away from him unless the claim of the other party was paid immediately. The only other way to avoid the cancellation of these licenses is by the furnishing of a bond.

"The natural result of such a situation would be to force the insurance companies to furnish bonds in a great majority of accident cases for which naturally they would be forced to collect by raising their rates. On the other hand, such a law would permit a species of blackmail which could not easily be stopped unless the Commissioner of Licenses endeavored to examine each case most thoroughly. No Court of law grants an injunction without hearing presentation of briefs and arguments and yet the enactment of this new law would attempt to allow the Commissioner of Licenses to issue what amounts to an injunction against the operator of a motor vehicle without the submission of evidence as to the facts in the case.

"These two proposals appear to be the most important which have come to your secretary's attention and both of them should receive serious consideration throughout the State."

## Southern

THE recently-elected president of the Southern Warehousemen's Association, J. L. Wilkinson, Charlotte, N. C., has announced the appointment of com-

mittees for 1929. These committees and their chairmen are:

Household goods: Cost and accounting, George E. Butler, New Orleans. Insurance, Carl F. Wittichen, Birmingham. Legislative, H. C. Allen, Asheville, N. C. Membership, W. T. Callahan, Miami. Rates, Howard E. Edelen, Knoxville. Uniform methods and practices, T. F. Cathcart, Atlanta. Long distance removals, John J. Woodside, Atlanta.

Merchandise: Cost and accounting, Jay Weil, New Orleans. Insurance, J. P. Ricks, Jackson, Miss. Legislative, W. H. Dearing. Membership, A. H. Laney, Jacksonville. Rates, H. C. Avery, Jacksonville. Uniform methods and practices, Sidney A. Smith, Tampa.

## Pacific Coast

DISCUSSION of the attempt by members to establish uniform rates for long distance hauling and presentation of plans for entertaining the delegates to the Del Monte convention of the N. F. W. A., featured the December meeting of the southern division of the Pacific Coast Furniture Warehousemen's Association, held at the Elks Club in Los Angeles on the 12th, with Frank M. Brock, Glendale, presiding, and with more than forty members attending.

As chairman of the inter-city removals committee, C. E. Turner, Monrovia, reported that the committee recommended a 20 per cent reduction in the present 100-pound minimum rate up to and including distances of twenty miles, as an experimental step to determine whether sufficient short-haul business could be obtained to make the reduction profitable. The reduction was urged as a step toward regulation of rates on a percentage basis.

The committee recommended further that the association work to bring all "haulers for hire" on the public highways under the jurisdiction of the State Railroad Commission.

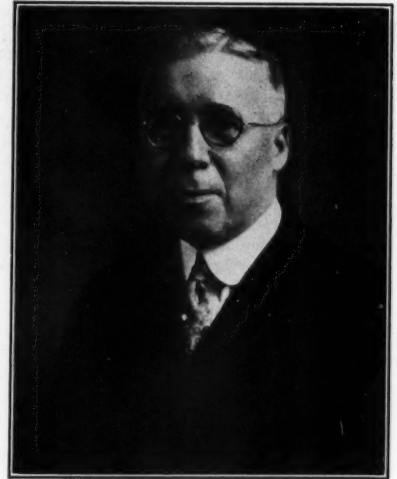
Objection was made that the proposed reduction might work well for a long haul, but not for one of less than 25 miles. To this Mr. Turner replied that the committee was trying to get rates down to a weight basis for all hauls, long and short, and away from the per-hour, or time, basis, "because eventually all haulers must come under the weight basis only."

A motion that hauling by members of the association to distances of 20 miles or under be on an hourly basis was adopted unanimously. The previous limit had been 15 miles. The point was made that solid-tire equipment made more money on an hourly basis than on weight, while the reverse was true of pneumatic-tire trucks and vans.

Further discussion brought out a considerable opinion that the 20 per cent reduction on the 1000-pound rate would come very close to an average medium, and would work powerfully for uniformity of all rates.

Mr. Brock offered the suggestion that the rate be not lowered, but that the entire rate structure be simplified by

## James D. Dunn



Re-elected president of the Michigan Furniture Warehousemen's Association

making the rate on 100 pounds for 20 or 25 miles the minimum. This met with general approval, but the question of how to accomplish it remained unanswered.

W. A. Norris suggested that a uniform schedule on the proposed 20 per cent reduction be made out, so as to pave the way for a simple clear statement to the customer of just what his job will cost. The result of this suggestion was that Mr. Brock appointed Judson M. Davis and Mr. Norris to prepare a schedule for presentation at a later meeting.

—H. H. Dunn.

## Detroit

ARTHUR A. LEONARD, president of the Leonard-Detroit Storage Co., was reelected president of the Detroit Furniture Warehousemen's Association at the annual meeting on Dec. 14, at the Hotel Fort Shelby. Toman L. Miller, treasurer and general manager of the John F. Ivory Storage Co., Inc., was again chosen secretary-treasurer.

Reports by officers and committees, together with discussion of plans for the coming year's work, occupied most of the time of the meeting.

—H. L. Lawson.

## Grand Rapids

THE Transfer & Storage men's Association of Grand Rapids held its annual meeting on Dec. 18, and elected officers as follows:

President, B. C. Hubbard, general manager Richards Storage Corp.

First vice-president, Martin Gelock.

Second vice-president, Harry R. Wells, manager Security Storage & Transfer Co.

Secretary-treasurer, Everett M. Radcliffe, owner Radcliffe Storage Co.

This will be Mr. Radcliffe's twenty-fifth consecutive year as secretary of the Grand Rapids organization.



### New York F. W. A.

AT the annual meeting of the New York Furniture Warehousemen's Association, held at the Aldine Club in New York City on Jan. 7, officers and directors were elected as follows:

President, Barrett C. Gilbert, vice-president Gilbert Storage Co., Inc.

Vice-president, Thomas F. Murray, president Day & Meyer, Murray & Young, Inc.

Secretary, William T. Bostwick, president Thomas J. Stewart Co.

Treasurer, William R. Wood, secretary Liberty Storage & Warehouse Co.

These were all reelections. Directors chosen, to serve each three years, are Grant Wayne, manager West End Storage Warehouse, Inc.; Charles S. Morris, president Metropolitan Fireproof Warehouse, Inc.; Charles E. Fink, of L. Fink & Son, Aetna Storage Warehouses, Inc., Brooklyn.

—P. J. O'Connor.

### Ohio A. C. H.

THE Ohio Association of Commercial Haulers has appealed a decision of the Ohio Public Utilities Commission to the Ohio Supreme Court—an action which is expected to clear up some of the controversy over the scope of the law governing the operation of motor trucks by irregular haulers. This has been a moot question for some time and the Ohio association and many of its members have frequently locked horns with the Commission.

The case which is appealed is styled *W. H. Stockton v. The Ohio Public Utilities Commission*. Stockton, who held an irregular certificate at Ashtabula, was cited before the Commission on the complaint of a competitor for hauling over State highways without following previous rulings of the Commission. It was claimed that an irregular hauler is restricted to hauling goods with one terminus located in his home town. In other words, he must either move goods into or out of Ashtabula. The Commission did not forfeit the certificate but warned Stockton.

Whereupon the Ohio association decided to make a test case and appealed. It is claimed by the association's attorneys that an irregular certificate issued upon proper affidavit entitles its holder to haul at any place within the State. It is averred that the interpretation of the Commission is in error.

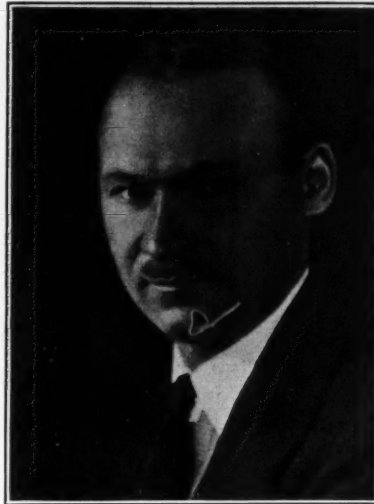
The Ohio Supreme Court will hear the arguments in the case at the spring term of Court.

—J. W. Lehman.

### Massachusetts

BECAUSE of the annual meetings of the industry's major trade association in California in January, the annual meeting of the Massachusetts Warehousemen's Association was deferred from Jan. 15 to Feb. 15, at which time officers for 1929 will be elected.

—S. F. Holland.



Barrett C. Gilbert

Reelected president of the New York Furniture Warehousemen's Association

### New Jersey F. W. A.

AT the annual meeting of the New Jersey Furniture Warehousemen's Association, held in Elizabeth on Jan. 9, the constitution was amended to provide for an office of president emeritus, and the honor was awarded to Thomas L. Morton, secretary and operating executive of the Model Storage Warehouses, Newark. The members presented a traveling bag to Mr. Morton, and one also to George Sebold, recently resigned as vice-president of the Weimar Storage & Trucking Co., Inc., Elizabeth. Mr. Sebold retired from the association's

presidency after serving several terms. Officers and directors for 1929 were elected as follows:

President, Frederick Petry, Jr., president Petry Express & Storage Co., Trenton.

First vice-president, James E. Mulligan, secretary Knickerbocker Storage Warehouse Co., Newark.

Second vice-president, Richard Coyne, Jr., owner Richard Coyne Storage Warehouses, East Orange.

Third vice-president, Nathan L. Goodman, secretary Goodman Warehouse Corp., Jersey City and Bayonne.

Secretary, Frank J. Summers, of the Model Storage Warehouses, Newark.

Treasurer, Griswold B. Holman, secretary George B. Holman & Co., Inc., Rutherford and Hackensack.

Directors, each for three years, Willard Eldredge, president Eldredge Express & Storage Warehouse Co., Atlantic City, and Robert J. Wilson, Roselle.

—P. J. O'Connor.

### Miniature Truck Added to Fleet of Philadelphia Firm

ILLUSTRATED herewith is a miniature bus chassis motor truck recently added to the fleet of the John Rhoads Company, operating a household goods storage business in Philadelphia.

This small van was planned by Jules Berger, the firm's manager, for advertising purposes, and has attracted considerable attention on the streets.

The height of the job from the ground to the top of the roof is 5 feet 6 inches. The body is 44 inches wide and 41 inches high, with its length 56 inches in back of the driver's seat. It is painted a vermilion red with gold lettering and striping.



## Would Protect Railroads Against Trucks and Busses

DISTRIBUTION AND WAREHOUSING'S  
Washington Bureau,  
1163 National Press Building.

THE shades of the trust "busters" and muck rakers of the gay 1890's must have reaped much sardonic mirth when a startling climax in the growing public sentiment in favor of the formerly maligned railroads against trucks and busses came on the floor of the United States Senate.

The city of Pensacola, Florida, the weight of its authority attested by a lengthy list of signers, furnished this climax when its petition declaring bus competition against railroads unfair was presented on the floor of the Senate by Senator Duncan Fletcher of that State.

The petition is a vigorous defense of the rights of the railroads, declares that unregulated competition by freight and passenger busses is unfair, and prophesies the destruction of the roads unless regulatory action is taken against the bus lines.

The incident has furnished the basis for much comment since the petition was placed in the Congressional Record. Most members of the present Congress can recall vividly the days of the Harrimans, the Goulds, the Hills and the others who built their vast fortunes from the railroads, and against whom the public opinion of an earlier day was so violent.

The wheel apparently has come full circle. When a civic protest, representing the thought of an entire city, goes so far as to present the case of these former monsters of iniquity to the Senate of the country, it is believed that it forms an absolutely unique instance of the growing sentiment in favor of truck and bus regulation.

The resolution from the city of Pensacola was referred by the Senate to the Senate Committee on Commerce, which has had before it for two years the Parker-Watson bill to give the Federal Government control over interstate traffic by motor vehicles.

The Parker-Watson bill, in its present shape, refers only to passenger busses. When this bill was first framed it was intended to regulate traffic by trucks as well as busses, but there appeared to be no material demand either on the part of the industry or of the public for regulation of this sort. Control of truck traffic was therefore left by general agreement for legislation at a later date.

It is unlikely that, even with any added impetus the movement for control of truck traffic may obtain from the Pensacola appeal, control of traffic by motor trucks will be included in any bill on the subject passed at this session of Congress.

The appeal itself calls attention to its signature by "the undersigned friends and patrons of the St. Louis-San Francisco Railway Co., and its 30,000 employees," and declares that upon the prosperity of the railroads depends the economic welfare of the country.

"There has recently sprung up all over the country," it continues, "a competition on the part of unregulated companies, many of them irresponsible, undertaking to haul freight and passengers in interstate commerce for hire by means of busses, trucks and publicly operated automobiles in direct competition with the railroad companies.

"If this competition were for the public good and contributed to the economic welfare and development of the nation, no fair-minded man could object. But such is not the case. This unregulated competition is not only seriously endangering the well-established, dependable and permanent railroad service, but endangers the lives and limbs of the public generally, and, in case of serious accident, leaves the passengers or members of the public without financial protection.

"It is not fair that the railroads should be destroyed or their service seriously impaired by such unregulated competition."

The petition then goes on to prescribe what are regarded as the needful features of the legislation it requests. Among these are the following:

Proper protection against financial responsibility.

A fixed schedule upon which the public can depend to be furnished in season and out.

A proper tariff of freight and passenger charges subject to the regulation of a proper commission.

Careful inspection of all motor vehicles to make certain they are safe for the purposes to which they are to be devoted.

Proper investigation as to the physical and mental qualifications of the drivers of such vehicles for all service.

Provision of a regulatory body similar to the Interstate Commerce Commission to see that such companies are efficiently and safely operated, and that no unnecessary loss be inflicted upon other transportation companies by their operation.

An adequate tax, consistent with the value of the use of the national highways.

Regulations covering the width, size, weight and speed of such vehicles.

### A Reversed Attitude

It seems very odd that a petition of this kind in favor of the protection of the railroads from the efforts of motor vehicles to take over some of their business should come from a city in Florida. It has been less than a year since one or both of the Florida Senators was taking the floor of the Senate almost daily with prayers for some action to compel the railroads to lower their rates so that the Florida producers of fruits and vegetables could get their products to market at a profit.

The Florida Senators and Representatives during the past ten years have continuously charged in the Senate and House that railroad rates affecting Florida must be reduced or the Florida

## Credit Reporting Service By Merchandise Warehouse

(Concluded from page 29)

one of the major reasons why the manufacturer resorts to warehousing.

The Taylor-Edwards company cuts the credit red tape at its source, and hence contributes toward speedy deliveries and quick service.

In the case of the manufacturer who places a salesman in the territory while taking advantage of the credit service of the warehouse company, the salesman establishes headquarters at the warehouse plant. He is supplied with desk room, mail and telephone service. The telephone service is particularly valuable to him, for customers may give orders over the telephone, and if the credit is O. K. the goods are delivered by the warehouse at once. This concern also makes a specialty of quoting prices for their customers and otherwise extending warehousing to include other services vital to those firms that must do business at long range via a warehouse.

### Invoicing Service

For instance, the company goes so far as to offer an invoicing service for its customers. The customers supply the warehouse with blanks, the orders are itemized and the invoices mailed out simultaneously with the delivery of the merchandise. A minimum charge of ten cents an invoice is made for this service, and customers take advantage of it to the extent of keeping one clerk busy full time with this work.

As the Taylor-Edwards firm feels, more or less, the responsibility of giving credit advice, it seems natural that it should also assist its clients in the problem of collections. The collecting is done by the regular firm collector, while on his route cashing in the monthly statements of the warehouse firm. Hence it is little trouble to extend this service to those customers who do a jobbing business without a local office.

Mr. Taylor remembers the time when warehousing was regarded as merely providing four walls and a roof for storage. The business might still be operated on that basis if it were not for forward looking men in the industry who realize that progress and profits depend on how much service can be offered, rather than how little.

"Our credit department was not forced on us by the demands of the trade," Mr. Edwards emphasizes, "but we realized the urgent need of it, and presented it to our clients for their consideration. It was welcomed, as we knew it would be. Back of it, of course, is our desire to win more friends and more business."

fruit and vegetable business would go to rot.

Now, if the petition from Pensacola can be taken as an earnest of the sentiment of the Florida people, they are seeking protection of the railroads from threatened lower rates by the trucks.

—George H. Manning.



## The Family Album Presents Sketch of George Hamley

(Concluded from page 25)

he went to work for the Security Warehouse Co.—in the bookkeeping department. He remained there for twelve years. At various times he traveled a bit, too, looking about to see what was in the new land. Once he spent three years, more or less on the move—without finding a berth which appealed to him more than the warehouse industry.

In 1907 Mr. Hamley went into business on his own account, establishing a place at 312-316 No. Third Street, Minneapolis, and naming it the Colonial because he was a colonial by birth.

The new venture wasn't much to brag about at first. Just an empty—much too empty—building, a low bank roll, and high hopes.

Hiring a warehouseman to give the place a look of activity, Mr. Hamley went up-town to look for business.

There wasn't any.

Day after day he tramped the streets, calling on prospective customers only to be asked the embarrassing question: "For whom do you store goods now?"

Mr. Hamley wasn't storing goods for anybody at the time and finding someone willing to be the first to take a chance was a difficult proposition.

At length the potential warehouseman found a carriage concern which had a lot of cutters to be disposed of. That was before the days of the automobile, and the cutters were the type of snow-going buggy in which the youth of the time took the girls a-riding with bells and everything—the cutters, not the girls.

Young Hamley made such a plea for business that he was given the cutters to store.

According to all tradition, the second account should have come to him easily; but as a matter of fact, it did nothing of the kind.

Mr. Hamley had a friend in the implement business whose firm received a letter from an out-of-town concern asking for the name of a reliable warehouse company to store and distribute a carload of farm implements. The letter was turned over to Mr. Hamley, who, in the course of a subsequent correspondence, submitted a contract regarding storage and prices for service.

Not having a typewriter, the young man went to a public stenographer to have the document drawn so that it would present the proper appearance. The contract was returned,—but every price mentioned had been blue-pencilled and reduced about half. The accompanying letter explained that the implement firm had inserted the average price that was being paid for similar service in twenty important points throughout the United States.

Mr. Hamley went to the public stenographer again and had made a duplicate of the original contract, which he sent back to the company with the one they had mutilated, and a letter explaining that the first prices quoted were the lowest consistent with good service.

The new contract also was returned, signed—and the implement firm in question is today one of the most important customers of the Colonial Warehouse Co.

Moral: It pays to have the courage and stamina to stand for a fair price!

Carefully and courteously written letters and circulars brought more new business to the Colonial as time went on. A second man came along and wanted a job, and Mr. Hamley put him to work whenever there was a car to unload—sometimes a matter of three or four hours of work a day. This was the nucleus of a staff which today numbers 100 employees in Minneapolis and Chicago.

Since 1907, a little longer than twenty-one years ago, Mr. Hamley has purchased a warehouse known as the No. 2—a 30,000-square foot structure at Second Street and Fourth Avenue North, Minneapolis; and about two years ago he bought the business of the Edward Lasham Co., at 1545-59 So. State Street, Chicago.

The original business in Minneapolis was operated for five years, and at the end of that time the company took over a place at 210-18 Third Avenue, North. This formerly had been used by the Jordans, wholesale grocers, under the name of the Guarantee Warehouse Co. This property was acquired on Jan. 1, 1913, so the Colonial now has rounded out sixteen years at its present location. The Colonial was organized and incorporated under the laws of Minnesota in 1914. It had by then come into the possession of buildings that assured it floor space in unlimited capacity.

With a model warehouse of 40,000 square feet which it owned and operated, the Colonial in 1915 installed its first motor truck to make its own deliveries. Today it operates a fleet of more than twenty trucks in Minneapolis and St. Paul in connection with the warehouse business, and the activities of the Universal Carloading & Distributing Co., which it represents.

The firm's employees have an organization of their own known as the Colonial Cooperative Club. They meet once a month in the main office and a dinner is served at which are discussed any and all problems in connection with the business, with an idea of giving the best service possible to the storing public. The company endeavors to operate at the highest point of efficiency and economy, and its success may be gaged by the fact that its main building alone now has 100,000 square feet of floor space.

In 1910 or thereabouts the old Central Warehousemen's Club held a convention at the Ryan Hotel in St. Paul, and Mr. Hamley became a member. Later he was elected secretary, an office in which he continued for several years before being elected president. Subsequent to 1910, while busy with the affairs of the C. W. C., he joined the American Warehousemen's Association and has served on various committees. His greatest activities, however, were with the Central, his efforts concentrated on its be-

## Kellogg Company Establishes in Chicago

The Kellogg Terminal Warehouses, Inc., recently organized in Chicago with John L. Kellogg as president, has acquired the Schoenhofen Warehouses, at 526 W. 18th Street, "for the purpose of conducting a general merchandise storage business including space rentals for storage and manufacturing," it is announced by Mr. Kellogg.

Charles E. Barnes, who was manager of the Schoenhofen company, is vice-president and general manager in charge of operations of the Kellogg firm.

The Schoenhofen business was established in 1918 and operated a mill and concrete construction warehouse, sprinklered, at the W. 18th Street address, with Peter S. Theurer as president and Milton J. Foreman as secretary. It was a member of the merchandise division of the American Warehousemen's Association.

## New Virginia Firm

The Virginia Corporation Commission has granted a charter to the Star Warehouse Corporation to operate a general warehouse business in Suffolk and to sell, convey, mortgage and lease real estate.

The officers of the new company are J. W. Elliott, president; Richard Winborne, Norfolk, vice-president, and J. G. Meddleton, Norfolk, secretary.

half. As secretary he was always on the platform. He arranged the details of its meetings and virtually ran its affairs, and many of the ideas which he put forth crept into the A. W. A., with which the Central later merged.

Mr. Hamley is a charter member of the Minnesota Warehousemen's Association and was its first secretary. After holding that office for several years he was elected president, serving two terms. He is a Mason, a noble of Zuhrah Temple, Minneapolis, and is a member of the Minneapolis Athletic Club, the Minneapolis Automobile Club and the Kiwanis. He is active in civic affairs and interested in community work, having frequently been instrumental in raising funds for various charities and philanthropies.

About two years ago Mr. Hamley was stricken with pneumonia while in Chicago and was confined to his bed for three months. Owing to the ravages of the disease on his heart, he has not fully regained his health and still is considered a convalescent. He takes tremendous interest in athletics, however, and never misses a home-coming game at the University of Minnesota. Anything in the way of outdoor sports enlists his attention, but when it comes to football he is a rabid fan. Knowing that he must reserve a little time for business, he has thus far persistently fought off the enticing lure of golf—but who knows how long that can go on?

In the meantime Mr. Hamley's one unfulfilled dream is to pay a visit to his far-off birthplace in New Zealand.



## Elizabeth Forman Married to Kent B. Stiles, Editor

TWO writers on the staff of *Distribution and Warehousing*—Miss Elizabeth Forman, who originated and conducts the "Family Album" series of personality sketches of executives prominent in the industry, and Kent B. Stiles, the editor—were married on the evening of Jan. 4.

The ceremony was performed by the Rev. Dr. S. Parkes Cadman, pastor of the Central Congregational Church, Brooklyn, in the home of Mr. and Mrs. Andrew K. Murray, 1710 Newkirk Avenue, Brooklyn. Mr. Murray, who is president of Distribution and Warehousing Publications, Inc., was best man and Mrs. Murray was matron of honor.

Following the wedding, Mr. and Mrs. Stiles went to Atlantic City, N. J., for a few days, and on Jan. 13 left for California to attend the annual conventions

Mrs. Kent B. Stiles



Former Miss Elizabeth Forman,  
now the wife of the editor of  
DISTRIBUTION AND WAREHOUSING

of the National Furniture Warehousemen's Association and American Warehousemen's Association. They expected to return to New York on Feb. 11.

Miss Forman and Mr. Stiles met in St. Paul when Mr. Stiles went to that city to attend a convention of the old Central Warehousemen's Club in July, 1923. At that time Miss Forman was society editor of the St. Paul *Pioneer-Press*. In 1925 she resigned and went to New York, where she has since been engaged in free-lance literary work, her stories, verse and articles having appeared in magazines and newspapers all over the country. For a time she syndi-

cated a New York letter of motion picture reviews. It was she who conceived the idea of the "Family Album" success stories which have been an editorial feature of *Distribution and Warehousing* for several years, and in the course of this work she has interviewed several score of the industry's leaders. Two of her sketches appear in this current February issue.

Miss Forman is Canadian-born and is a descendant of Sir William Forman, one time Lord Mayor of London, England. She is a graduate of the University of Alberta.

Mr. Stiles has been editor of *Distribution and Warehousing* since August, 1919. Prior to that he had thirteen years of newspaper work in New York City—with the New York *World*, the Brooklyn *Eagle*, the old New York *Evening Sun*, and in the New York office of The Associated Press as reporter, wire editor and city editor. His A. P. experience included interviews of Theodore Roosevelt, William Howard Taft, Woodrow Wilson, Marshall Joffre of France, and Ambassador Von Bernstorff of Germany. His articles and stories for boys have been appearing in the juvenile magazines for the past twenty years.

## A Directory Correction

UNDER the "Body Equipment, Demountable," section in the "Where to Buy" department on page 107 of the 1929 Warehouse Directory, published as part of the January issue of *Distribution and Warehousing*, the address of the American Freight Service, Inc., should read:

"17 Battery Place, New York City."

In the Directory the address was given in error as 912-913 Statler Building, Boston.

For purposes of reference throughout the year the foregoing correction should be noted by owners of the Directory.

## Three Boston Blazes

The King Terminal Co., a South Boston realty corporation operating many buildings for storage and industrial purposes, suffered loss from two fires late in December. One was in a warehouse at 12 Elkins Street, occupied by the Tremont Chemical Co. for storage of industrial alcohol, and the other in a factory building at 570 East First Street occupied by the Starite Products Co., manufacturers of patented compounds. The respective damage estimates were \$30,000 and \$7,000.

Fire on Jan. 3 in the waterfront warehouse at 24 T Wharf, operated by the Quincy Market Cold Storage & Warehouse Co., caused a loss estimated at \$1,500 on the second and third floors.

## Revised Bulletin Explains the Export Bill of Lading

DISTRIBUTION AND WAREHOUSING'S  
Washington Bureau,  
1163 National Press Building.

FOLLOWING requests from Chambers of Commerce, individual shippers and associations of various types throughout the country, the Department of Commerce has just released a revised bulletin entitled Uniform Through Export Bill of Lading.

The purpose of the document is to promote through shipment of goods without the necessity for separate ocean lading at the port of export. It is designed especially for use in relating to shipments going from an interior point in the United States to a foreign country.

The original bulletin, published in April, 1925, is said to have caused a great deal of misunderstanding and misconception regarding the facts concerning this lading. The revised bulletin not only covers the general questions relating to the lading itself, but also summarizes the opinions of shippers and all others interested in foreign trade.

The bulletin also brings out all the basic facts regarding the uniform through export bill of lading, its practicability, and favorable and unfavorable facts experienced in its use in foreign trade.

The Department of Commerce published the revised bulletin after conferences with the exporters, railroads, steamship lines, freight forwarders, bankers, marine insurance interests and others who might be affected by the use of the document.

—L. C.

## Evanston Firm Leases Property

The Evanston Fireproof Warehouse, Evanston, Ill., has taken over under a 99-year lease, for a total term rental of \$325,875, the three-story brick warehouse at 1621 Benson Avenue, where the firm's main office is at present located.

The terms include a cash consideration for the building, while the average rental for the ninety-nine years is \$3,291.67, scaling from \$2,250 for each of the first three years to \$3,500 for each of the final seventy-one years. At a capitalization of 6 per cent, this gives a value of \$54,861 for the entire piece, of \$2,195 a front foot and \$13.72 per square foot.

The lessee is not ready at this time to announce plans for improvement of the property.

## Article on Warehousing

An article "Your Local Warehouse Stocks May Handicap Your Best Jobbers," by A. H. Deute, appeared in the Jan. 10 issue of *Printers' Ink*, New York. The sub-title is "The Hand-to-Mouth Jobber Who Demands Local Warehousing Is Forcing Manufacturers to Compete with Their Legitimate Wholesalers."

## Urges Constructive Control of Trucks—Not Restriction

DISTRIBUTION AND WAREHOUSING'S  
Washington Bureau,  
1163 National Press Building.

FURTHER and much broader study should be given to the subject of regulation of motor vehicles in interstate commerce before restrictive legislation is made effective, in the opinion of Thomas H. MacDonald, chief of the Bureau of Public Roads of the United States Department of Agriculture.

"While the regulation of all public transportation agencies in the interest of the public is necessary and sound," he declared, "we have been thinking and acting in terms of restrictive regulation too long. It is time to think in terms of constructive regulation, and to do this it is necessary to evaluate all the facts."

"The demand for laws regulating the interstate motor vehicle operations on the highways, not only comes from those in control of other types of transport than motor vehicles, but from the operators of motor transport themselves. But the object in both cases is to limit and control competition."

Mr. MacDonald pointed out the difference between a railroad and a motor vehicle, explaining that both steam and electric railways will become extensive users of motor truck and the motor bus.

### Three Problems

Before any Federal legislation is enacted regulating the interstate motor vehicle operations on the highways, these three questions, he declared, should be carefully considered:

1. "Is competition between the different forms of transportation, for one of which the public is furnishing the road-way facilities, a proper cause for restriction through legislation?"
2. "Is it acceptable public policy to grant through such legislation franchises to all those now operating but to reserve the right to grant franchises to those who seek to establish new service?"
3. "Has there been sufficient study and investigation by experts in highway transport to justify projecting the Federal government into essentially local problems?"

The only inquiry into the development and operation of commerce, particularly interstate commerce, over the highways, was a series of hearings conducted by a member of the Interstate Commerce Commission, to which the railroads were made respondents, Mr. MacDonald said.

"On the evidence thus secured," he continued, "certain recommendations as to Federal common carrier legislation were made. Prior to these hearings a bill had been introduced and hearings were held by the Senate Committee on Interstate Commerce. These original proposals were not based on any inquiry and were plainly proposed to limit the competition of the commercial motor vehicle with the railroads and with existing motor transport operations."

"Based on the recommendations of the Commission after the inquiry, new legis-

lation was introduced at the last session of Congress and is now pending before the House Committee on Interstate Commerce. The new proposals are materially different from the original bills.

"It is reasonable to believe that a further and much broader study should be made before restrictive legislation is made effective."

"Before experimenting with Federal legislation in this field, serious thought should be given to the economic soundness of the course to be followed. It cannot correctly be assumed that highway and railway regulations run parallel."

—Philip G. Loucks.

### Frost Company Sold

Elmer B. Frost and Ina M. Frost, a copartnership operating under the name Frost Fast Freight Service in San Diego, Cal., have been authorized by the State Railroad Commission to sell their operating rights and property of their motor express line between Los Angeles and San Diego to the Fast Freight Forwarding Co. The latter has been authorized to sell stock to provide itself with working capital.

### Back Copies Wanted

DISTRIBUTION AND WAREHOUSING, which started publication longer than a quarter-century ago under the name *Team Owners' Review*, desires to complete its file of the first thirteen volumes—from 1902 to 1914 inclusive, during which years the magazine was known as the *Team Owners' Review*.

If owners of either complete volumes or single copies of the *Team Owners' Review* will communicate with Andrew K. Murray, business manager of *Distribution and Warehousing*, the publishers will be appreciative.

Good prices will be offered for the copies.

### New Orleans Grain Rates

In line with its action on Sept. 1, reducing the weighing charges on cotton at the Public Cotton Warehouse, New Orleans, the local Board of Commissioners has eliminated, effective Jan. 1, charges amounting to from \$1.10 to \$1.50 a car on all grain passing through the New Orleans Public Grain Elevator. This change in method is expected to result in attracting an increasing volume of grain to the port.

In order to bring this change about, the Dock Board will assume the weighing of grain at the Public Elevators with its own forces, whereas in the past this duty has been performed by the grain division of the Board of Trade.

## Warehouseman's Relations With His Former Employees

(Concluded from page 21)

the contract and obtained similar employment with a competing firm. His former employer filed suit to restrain him from continuing the employment in violation of the contract.

The Court held this contract void, saying:

"It may sometimes be difficult to say just what is a special, unique and extraordinary service, or whether the employee possesses special, unique or extraordinary qualifications. The solution may generally be reached by an inquiry as to whether a substitute for the employee can readily be obtained and whether a substitute will substantially answer the purpose of the contract."

### Wrong to Copy List of Employer's Customers

IN the leading case *Stevens & Co. v. Stiles*, 71 Atl. 802, it was shown that an employee had made a list of names and addresses of his employer's patrons. The employee quit his job and established a competing business. The former employer instituted legal proceedings against the proprietor of the new business and asked the Court to restrain his using the list of customers, on the ground that the employee had "surreptitiously, fraudulently, and without the knowledge of the employer, copied the names of a great number of patrons, with their post office addresses."

The Court granted an injunction restraining the former employee from using or keeping in his possession the list of names, and said:

"We are of the opinion that the surreptitious copying of the names and addresses of the employer's customers from the records is a violation of confidence of such so unfairly obtained. The respondent [employee], could have no more right to copy records made by himself, while acting for the employer, than he would have to copy any other records to which he had no access."

In still another case, *Peoples v. Light*, 157 N. Y. S. 15, it was shown that a common employee, after leaving the employment, immediately obtained employment with a firm which competed with his former employer. He began soliciting business exclusively, or practically so, from the same customers he had previously served.

The former employer filed suit to restrain the former employee from obtaining business from the customers. The employee attempted to avoid liability on the ground that he had not copied a list of the names and addresses of the customers but remembered their faces and addresses.

However, the Court held the employee liable and explained the law on the subject as follows:

"The customers largely were individuals reached only by personal contact. There is no evidence that Light [employee] had a written list of them. There was in his head what was equivalent."



## Mothproofing Service for the Furniture Warehouseman

(Concluded from page 19)

- 3—The moving of your household goods from any place to any place, at any time.
- 4—The demothing and mothproofing of rugs, draperies, upholstered furniture or anything subject to damage by moths.

And again the business signature and address.

The photographic reproductions, as well as the captions and descriptive matter in these folders, helped to get the business, as remarks of customers later evidenced. The circulars were mailed to established customers, as well as to prospects, and a circular was placed in each outgoing piece of mail, of whatever kind, as well as in all packages delivered, until the issue had been exhausted.

Another "stunt" that paid well was the mailing of 15,000 postcards, printed in black and red, to the students and faculty members of the University of Pennsylvania, the heading being "What Is Your Winter Coat Worth?" with beside it the Atlas symbol in red. The body of the card, printed across, instead of lengthwise, read:

Your winter coat is as far from your mind now as your ice skates. We'll wager the customary odds, however, that you'll be thinking of it again when the weather gets warmer! But you won't be thinking of it in the endearing terms that you did when it made you stylishly warm (or warmly stylish) this winter. You'll see it as a burden—for it will be a nuisance when you are packing to go home, or away this summer.

What to do? Do what other wise men and women do. Phone Evergreen 1200. We'll call for your coat, demoth it (a process tested and approved by the U. S. Government), and store it for the summer in our modern fireproof fur vault where (we'll guarantee this) neither you, nor moths, nor fire, nor burglars will worry about it!

The cost is trifling—three per cent of your own valuation, with a minimum charge of \$1.50 from now to next New Year's Day. And then, of course, we also call for, pack, store or ship anything else from a single book to a library and from one piece of furniture to a house full.

Your winter coat will be inconvenient. Our phone is convenient. Let's put the two together.

Follow the name and address of the company. The issue was an inexpensive form of advertising, the whole issue costing but \$290, including postage and addressing.

Mothproofing, not alone of furs, but also of furniture and fabrics, has been advertised very consistently by the Atlas company, at first in all the Philadelphia daily newspapers, and later in two evening papers and one morning paper. Insertion has been averaging three times a week. At first display advertisements two columns wide by 52 lines deep were used, later a change being made to single-column width and 100-line depth.

Rugs are stored in the rug vault in two ways—vertically in the central aisle, for rugs 9 x 12 feet, or less, and horizontally along the walls on racks, for larger rugs. The entire space of the vault is 80 x 22 feet. However, vertical rug

storage is preferred, as less usable space is consumed and this plan obviates trouble when removing or replacing a rug. The rugs are stored vertically by being wrapped about hooked poles, tied about with cord, and properly tagged, the poles, which are 9 feet 6 inches long, being then hooked over the piping in long rows.

## Waste Elimination a Feature of Distribution During 1928

DISTRIBUTION AND WAREHOUSING'S  
Washington Bureau,  
1163 National Press Building.

INCREASED sales of mail-order houses and department stores, as well as chain-store establishments, quick movement of stocks generally; and further progress in the elimination of waste—these were the chief features of American distribution, commercially, during the past year.

This is the conclusion of Dr. Julius Klein, director of the Bureau of Foreign and Domestic Commerce of the Department of Commerce, in a summary of commercial and industrial developments of 1928. In view of Dr. Klein's position of direct contact with American business, his words are regarded as carrying much weight.

His discussion of wholesaling and distribution begins with the assertion that wholesale distribution showed little change in volume during the year just concluded.

"Sales of mail-order houses and various kinds of chain stores had a particularly large growth," he continued, "but this was due partly to an increase in the number of stores operated. Department store sales also increased and there was a considerable reduction in the size of their inventories."

Further progress was seen in the increase of business efficiency, particularly through elimination of wasteful methods in commerce through cooperation of business and the Government.

"During recent years," he said, "there has been a marked increase in the *per capita* output of the manufacturing industries and of agriculture, and efforts are now being made to improve the efficiency of distribution."

Distribution methods, however, were characterized as "still relatively wasteful."

"There has been no considerable accumulation of stocks," he concluded, "and the general level of wholesale prices has shown comparatively little change. Increases in prices of hides and leather, food, building materials, metals, and fuel and lighting, slightly more than offset declines in prices of other groups of commodities."

The City Commission of Jersey City has adopted a resolution authorizing the city legal department to draw up an ordinance to clear the way for the construction of the Pennsylvania Terminal Corporation's \$20,000,000 keel-to-rail terminal, which is planned to include a large warehouse, three docks and connecting tracks.

## Educating Public to Visit Household Goods Warehouse

(Concluded from page 16)

his laundry and representing this society, he jumped at the chance. Other women's clubs learned of the plan of raising money for their churches, and as a result nearly every housewife in the community went through his laundry and he felt that the money spent by him—or, rather, donated by him to the ladies' aids and clubs—was far from being wasted.

And an enterprising church society in Pueblo saw an opportunity to get additional funds by taking the membership through the Burch warehouse. The offer was made to the Burches and readily accepted. Other clubs learned of the idea and "wanted in" on it, until competition became so keen that the ladies offered to go through the warehouse for five cents each!

The warehouse company obtained some benefit from the plan and it is quite possible that more business will result in the future—when those women have need of moving and storage accommodations.

Of course many warehouses are so situated that visits from the public are not convenient or inviting. Often they are located in the railroad section of a community and thus not easily accessible. In fact in some cases it would be dangerous for a crowd of women folks in motor cars to attempt to visit the warehouse in a body because of the heavy truck traffic in the vicinity.

Where warehouses or depositories are located in residence districts there is no reason at all why the warehouse company cannot get the women folks—if not the men—to visit the establishment; and prepare and deliver a lecture on the tour that will make the warehouse a warm living institution instead of a dead cold place like a vault in the graveyard.

## Pianos in Show Windows

The Johnson Storage & Moving Co., Denver, has its warehouse and offices on one of the main traveled streets of the city for the singular purpose of catching and holding the interest of the people. The front of the building has plate glass windows equal to those of any department store. These permit a view of the piano storage room, and passers-by are given an opportunity to view dozens of pianos with their paper covers free from dust. At night the room is illuminated somewhat so that the public is not deprived of the window-shopping opportunity.

While the piano room is only one section of the warehouse, it offers the public a vision of what the rest of the place must be like and, if they have any respect for the goods they place in storage, what they see through the windows of the Johnson building should arouse greater respect for the warehousing facilities offered.





**HOUSEHOLD GOODS WAREHOUSES:** We have had over twenty years' experience in designing and supervising construction of household goods warehouses in all parts of the country. Our buildings excel in economy of operation, access facilities, minimum amount of waste floor space, appearance and low cost of construction. Comparison of the warehouses designed by us with other warehouses is invited.

**PORTOVAULT WAREHOUSES:** "Portovault," the name copyrighted by Day & Meyer-Murray & Young, Inc., symbolizes the box type or portable van type of household goods storage which is "The Warehouse of the Future." In certain localities this is the type we recommend. We were the first architects to advocate a special type of building for this type of storage and we are the only architects who have designed and constructed such buildings. It is not economically wise to store portable vans in other than the type of building we have developed. While this method of storage is a comparatively recent development in the industry, our studies of it have extended over a long period of years. Keep in pace with the times and consult us about how to go forward with the leaders of the industry.

**RAIL AND WATER TERMINALS:** Do not confuse Rail and Water Terminals with the old type merchandise warehouses. A rail and water terminal is as different from a plain merchandise warehouse as the modern fireproof household goods warehouse is from the obsolete non-fireproof furniture warehouse. Great care must be exercised in planning the size and other details of a development of this kind. The first step in a proposition of this type is to make a thorough investigation of the territory and to prepare a financial report for financing purposes. Our experience is invaluable to those considering the establishment of a rail and water terminal because every terminal built and operated as recommended by us is proving successful.

Waterfront improvements, such as docks, slips, etc., are taken care of by our own engineers.

**COLD STORAGE WAREHOUSES:** We have designed cold storage warehouses in connection with rail and water terminals and as separate units. In line with our general policy, our own engineers design the refrigeration equipment—we do not leave this phase to the manufacturers of machinery any more than we allow the steel companies to determine the design of structural steel in steel buildings or the amount of reinforcing steel in reinforced concrete buildings. Our cold storage plants are becoming models of the trade.

We are prepared to help solve problems arising in the storage of perishable foodstuffs. In this service we have the aid of Dr. Mary E. Pennington, the noted authority on this subject.

**ICE PLANTS:** Ice manufacturing plants and ice storage houses are handled by our engineers in a way that guarantees a saving of many times our fee in the construction cost.

**OUR FEE:** To correct the impression that the cost of our services is higher than the fees of other architects, we wish to state that our fee is based upon the recommendations of the American Institute of Architects, even though our service is more complete than that recommended by the Institute. We do not cut our fee, even in competition with other architects who we know are "cutting corners," because a cut in fee must be equalized by a cut in services rendered.

It is proven economy to engage a reputable architect for any building, regardless of size. It is an established fact that an architect saves an owner many times his fee.

## MOORES & DUNFORD

INCORPORATED

ARCHITECTS & ENGINEERS

110 EAST 42nd STREET  
NEW YORK, N. Y.

REPORTS  
DESIGN  
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MAINTENANCE

TERMINALS  
WAREHOUSES  
REFRIGERATING  
& ICE PLANTS  
INDUSTRIAL PLANTS  
WATERFRONT  
IMPROVEMENTS

## Story of J. H. Troyer Is Told in the Family Album Series

(Concluded from page 24)

Troyer family eventually moved, opening a small dry goods store on North Clark Street some time before the great fire that all but wiped out what was then Chicago.

Mr. Troyer was ten years old at the time of the fire, an impressionable age, so he still retains vivid memories of streams of people pouring forth on Clark street seeking the safety of the Lake, in an almost frantic belief that the end of the world had come. The Troyer home was on the very edge of the fire-zone but both the business and the family dwelling were totally destroyed. Two blocks beyond, the flames were halted and finally put under control.

After the debris was cleared the store was rebuilt on the same ground, but in 1887 Mr. Troyer was obliged to take his mother to California for her health. There he remained two years and it was during that time that he became interested in the warehouse business by looking up transfer and storage facilities for a friend who was moving and finding out that they were elemental and crude in the extreme. Only sheds, sometimes with leaky roofs, were available for the storing of transient household goods in those days, so on his return to the Middle West, Mr. Troyer decided to put into operation some of the theories he had formed during his stay in California.

Prior to leaving Chicago he had made a start in the leather business, in which he engaged for eleven years. Returning to make another beginning, he got into the teaming business through a man for whom he had furnished capital while still proprietor of his own leather store.

Right from the first the new venture was launched on a large scale, supported by Mr. Troyer's own savings and a little financial backing from his family. It was started in a new section of the city, six miles from Chicago's Loop; and here, in 1904, was erected the warehouse that a short time ago was disposed of under the terms of a 99-year lease that calls for an annual rental of \$6,000 a front foot for the ground on which the building stands. So rapidly has the city grown that this section now has become an important amusement center. The Uptown and Riviera theatres are in the immediate neighborhood and a new 27-story office building has gone up next door to the Troyer property.

The North Shore Fireproof Storage Co. is the oldest business in the block. It was built up by hard work, conscientious attention to details, and a desire to give entire satisfaction; but, for the rest, it "just grew up with the country" or, rather with the city. There have been many changes in the two decades since the warehouse was built and it is with many regrets that its president is dropping out after more than twenty years of activity in the same block. He will remain active in the in-

dustry, however, being still a member of the board of directors of Werner Bros. Fireproof Storage Co., Chicago. This with his personal pastimes, he declares, will keep his interest in life alive.

Mr. Troyer is an inveterate golfer, a hunter of no mean prowess and an enthusiastic motorist. In Chicago he lives at the Edgewater Beach Hotel but his winters are spent in California, whither he quite frequently drives. His one other hobby is a fondness for fishing.

### Blodgett to Build in Grand Rapids

L. R. Blodgett, president of the L. R. Blodgett Packing & Storage Co., which he recently organized in Grand Rapids, Mich., has been granted permission to erect a six-story fireproof warehouse, for storage of household goods, on Jefferson Avenue, Southeast, at State and Washington Streets.

The estimated cost of the building and the property on which it will stand is \$200,000. The exterior will be of specially designed brick. The structure will have the latest fire protection devices and will be sprinklered throughout.

### California Terminals to Build

The California Terminals Corporation has been granted a thirty-year lease on 4½ acres of city-owned harbor lands on the south side of Channel No. 3, at Long Beach, and in return for the lease has agreed to start construction on a six-story fireproof general merchandise warehouse within twelve months, the building to be completed within a year after date of commencement. Meanwhile the corporation is to construct fills, bulkhead, piers and berthing places for ships on the site, the large warehouse to rise on the land so filled in.

Under the terms the corporation will pay \$85,000 a year rental to the city of Long Beach for ten years, after which the rental is to be revised upward. Bond of \$50,000 has been posted by the corporation to insure completion of the warehouse within the time limits set.

The property has a frontage of 861 feet on Channel No. 3 and 508 feet on Channel No. 5.

Paul R. Watkins is president of the corporation, and the goods to be warehoused will consist largely of canned and dried fruits, oranges, lemons and grapefruit.

According to Mr. Watkins construction will start immediately and be completed considerably before the time allowed.

One of the specific needs of all the Pacific coast ports from Seattle to San Diego for some years has been adequate warehousing for agricultural and horticultural products at shipside, and this is one of the first large steps taken in this direction.

### Wallace Succeed Knipe

T. T. Wallace has succeeded R. C. Knipe, Jr., as manager of Charles D. Strang, Inc., in household goods warehousing in Brooklyn.

## Barred Spouse Uses Storage to Cure Her Erring Husband

THE Norton Fireproof Warehouse Co., operating a household goods depository in Los Angeles, claims the honor of discovering a new, different and profitable line of business which does not require any additional capital and needs little advertising. This business is classified under the heading "door storage," and an officer of the California firm, in a letter to *Distribution and Warehousing*, explains the situation as follows:

"Several months ago our storage department was joyously going about its morning's work when the telephone gave us the distressed voice of a little lady who wanted to know how much we would charge to store a door.

"The question of course produced a good bit of cross-examination and questioning to determine its size and the amount of space it would require, and we finally arrived at the very equitable rate of \$2 per month.

"So the truckmen went to the house and removed the front door from its hinges and brought it into storage.

"Some three months later the same little lady presented herself at our office and left instructions that the door be returned to her home and again hung on its hinges. Just by way of explanation she said:

"My husband had the bad habit of locking me out nights, but believe me that certainly taught him a lesson. He'll never lock me out of the house again. He didn't even know where the front door was."

"So you see this little incident has opened up great possibilities for the live wire storage man. We would suggest snappy display advertising calculated to catch the eye of the discontented wife as a means of securing this business. Something like 'A Door Removed Saves Many a Black Eye,' or 'Why Disturb Your Husband's Sleep When Returning Home Late with the Boy Friend?'

"The answer is, of course, 'Store Your Door.'"

### Harris Company to Build

Announcement is made by the Harris Transfer & Warehouse Co., Birmingham, that a new break-in-bulk storage building costing \$250,000 will be started immediately.

### Warehouse Establishing Chain of Gas Stations

C. F. Partee and J. S. Craig, respectively president and vice-president of the Pacific-Southwest Warehouse Co., Inc., Los Angeles, have formed a partnership to operate a chain of stations to handle Standard Oil gas and a full line of oils. The first unit, known as Diamond Service Station No. 1, is at 2236 E. 7th Street.



## International Truck Popularity Goes 'round the World!

Two kinds of Shanghai transportation are shown in the picture above—jinrikisha and International—and the new International Truck is, properly enough, in the foreground. The world moves, and it moves toward International Trucks with ever-increasing certainty.

The situation is much the same wherever you go. When folks want trucks they think of Internationals, and when they buy Internationals they are satisfied. Enthusiastic owners write in from all over the world to tell us of the unusual

performance rendered by their International Trucks.

If you would like to have more complete information concerning this great line of trucks, telephone or call on the nearest Company-owned International branch house—there are now 171 in the United States and Canada—or write to the following address.

The full International Truck line includes Speed Trucks and Heavy-Duty Trucks in  $\frac{3}{4}$ , 1,  $1\frac{1}{4}$ ,  $1\frac{1}{2}$ , 2,  $2\frac{1}{2}$ ,  $3\frac{1}{2}$ , and 5-ton capacities. Also, McCormick-Deering Industrial Tractors.

### INTERNATIONAL HARVESTER COMPANY

606 So. Michigan Ave. of America Chicago, Illinois  
(Incorporated)





## Revised Bus Bill Does Not Include Truck Regulations

DISTRIBUTION AND WAREHOUSING'S  
Washington Bureau,  
1163 National Press Building.

POSSIBLE action by Congress at this session in regulation of interstate bus traffic was foreshadowed when Representative James S. Parker of Salem, N. Y., chairman of the House of Representatives Committee on Interstate and Foreign Commerce, introduced a greatly modified and simplified bill. It was accompanied by a companion measure by Senator Watson of Indiana, in the Senate. Senator Watson is chairman of the Senate Commerce Committee.

The new measure, like the old Parker-Watson bill for which it is a substitute, makes no provision for control of interstate traffic by trucks. The Interstate Commerce Commission, after an investigation lasting a year, reported to Congress that control of truck traffic was unnecessary at the present time. The American Automobile Association took a similar position, and there appears to be no demand in any direction for including in this bill provision for regulating truck traffic on the same basis as that of buses.

The two committees, of which Senator Watson and Representative Parker are chairmen, respectively, have been considering this character of legislation four or five years. They are prepared to push their measure to passage at this session, and are confident it will get the necessary votes if the Congress leaders will put the bill on the schedule of legislation to be considered at this short session.

Under the new bill the control of interstate bus traffic begins and ends with the Interstate Commerce Commission. The Commission will receive the original application, name the joint State board to hear the application petition, hear any appeals made from the decision of the board, and will confer the certificate to operate.

Finally, if the States concerned all refuse to give the applicant a hearing on his plea to operate, the Commission may order the hearing and rule on the merits of the case.

Other changes in the original Parker-Watson bill aim chiefly at simplifying the machinery under which it is effective. The joint State boards are mandatory in the new bill, unless the other States concerned formally concede the right to one State to make the decisions.

In the old bill the bus lines applying could be compelled to present their cases to each State board which had authority over them.

One other change of some importance was in the so-called "grandfather clause." Whereas the old measure declared that operation a full year before the legislative session should be considered *prima facie* evidence of public convenience and necessity, the new one merely specifies that operation "in good faith" on Nov. 1, 1928, shall constitute full proof of the convenience and need.

It thus eliminates likelihood of further hearings.

Other changes are of minor importance, being chiefly for the purpose of simplifying and condensing the wording of the text.

—R. S.

## Liquor Being Stored in Bay State's Capitol Building

Even State capitols are today being used for warehousing. This was brought out by Governor Frank G. Allen of Massachusetts in his inaugural address before the State Legislature in Boston on Jan. 3, when he said:

"I am satisfied that the State House is not the proper depository for confiscated liquor. I propose that a suitable warehouse for the storage of this commodity be found elsewhere."

## Carolina Firm Host to Rail and Shipping Men

AN annual feature of the activities of the Carolina Transfer & Storage Co., Charlotte, N. C., is a dinner given at the local Chamber of Commerce to the officers and employees of the railroads which serve the city, the heads of the various firms with which the Carolina company does business, and various invited guests who are men of prominence in various lines of business in Charlotte.

At the recent eighth annual dinner about half the States in the Union were represented, as officers or salesmen were present on behalf of manufacturers and distributors doing business with the Carolina company.

John L. Wilkinson, general manager of the Carolina company, and who is president of the Southern Warehousemen's Association, was the toastmaster, and the speakers included Justice Heriot Clarkson of the State Supreme Court and Dr. D. W. Daniel of Clemson College. An entertainment was provided, and one of the accompanists on the piano was Miss Marie Wilkinson, daughter of Mr. Wilkinson. About 250 persons attended.



Scene at annual banquet of Carolina Transfer & Storage Co., with rail and shipping men as guests

## Walker Expands His Chain to Birmingham and Atlanta

TWO more southern cities—Birmingham, Ala., and Atlanta, Ga.—have been included as locations of units in the chain of household goods depositories being operated under the general management of James A. Walker, president of the O. K. Storage & Transfer Co., and southern divisional vice-president of the National Furniture Warehousemen's Association. The O. K. has been operating furniture storage warehouses in Memphis, Tenn., since 1913; New Orleans, since 1919, and Louisville, Ky., since 1925.

As told in the January issue of *Distribution and Warehousing*, the company closed a lease for part of the warehouse of the Merchants & Manufacturers Terminal, Inc., in Birmingham. On Jan. 1 Mr. Walker opened a storage and van business in this space, at 1113-1115 Avenue A, a fireproof building. Instead of operating under the O. K. name, however, he has chosen the name Walker Storage & Van Co., Inc., for business reasons. Mr. Walker is president. J. K. Walker, his son, is vice-president, and George E. Butler, secretary and operating executive of the New Orleans plant, is treasurer. The secretary and manager of the Birmingham house is Justin Townner. These four and J. R. Walker and J. H. Doughty form the board of directors.

In Atlanta Mr. Walker took out a charter several months ago to operate under the name Walker Storage & Van Co., Inc., and expects to be operating there probably some time in February.

## New Moving Firm in Indiana

The Inter-City Moving Co. has been incorporated in Vincennes, Ind., to engage in the business of local and long distance moving, hauling and transport of merchandise and household goods. The capital stock comprises thirty shares of no par value common. The incorporators are Grant Beesley, Clarence Haartje and J. O. Killian.

# GENERAL MOTORS TRUCKS

*Now add*  
**"STRAIGHT RATING"**  
*TO These ADVANCEMENTS:*

- 1. A COMPLETE LINE OF TRULY MODERN VEHICLES**
- 2. EXTRA VALUE INSTEAD OF "EXCESS ALLOWANCES"**
- 3. A REAL WORK TEST OFFER**

## *A Profitable Step For The Storage and Moving Industry!*

**T**HERE should be no need for hedging, when a truck-maker says to a truck buyer: "Here, sir, is a truck that will handle your work with efficiency and economy."

Information should be definite, accurate. Only then can the investment be wisely considered.

*Hereafter all General Motors Trucks will be described, and sold, on the exact basis of STRAIGHT RATINGS—instead of the customary "capacity" ton figures which are inexact and misleading. For every model the total allowable gross weight, including load, will be given and unqualifiedly guaranteed.*

When the known weights of chassis and body job are deducted from that guaranteed total, the maximum payload at which the truck will operate efficiently year after year is accurately established.

Actual requirements of work to be done by a truck will thus govern its selection. The buyer will not have to buy and maintain more "capacity" or less than he needs.

Tire-equipment can be exactly suited to the work—effecting a new degree of tire economy in operation.

This step forward is made necessary because of penalties hidden in the old terms: "one ton", "two ton", etc. On the market today are "one ton" trucks with differences in chassis weights as high as 1,500 pounds. In the larger "capacities" still greater variances exist. Between various types of bodies weight-differences of half-a-ton are not uncommon.

Every General Motors Truck in the complete line is modern: designed, engineered and built to meet modern conditions with new standards of economy. Their list prices contain no "water" to permit unsound trade-in allowances. They provide extra value instead of "excess allowances."

A real Work Test is offered, backing every statement made about any General Motors Truck.

It will pay you, now more than ever, to investigate what General Motors has before you buy.

### **Make This Real Work Test—**

We furnish the truck (any available model, body, or chassis that most closely meets your requirements), the gasoline, and a man to accompany you or your driver. Put them at your regular work for a practical test. (This offer not made in states where such tests are unlawful.)

**GENERAL MOTORS TRUCK COMPANY**  
Pontiac, Michigan

*Factory branches, distributors, dealers, in 1500 principal cities and towns*

## **A TRUCK FOR EVERY PURSE AND PURPOSE**

### **LIGHT DUTY** 1929 PONTIAC-powered

(STRAIGHT RATING capacities:  
3800 to 8000 lbs.)

Type 1001.....	\$ 625.00
Type 2001.....	1015.00
Type 2002.....	975.00
Type 2003.....	895.00
Type 2004.....	1085.00
Type 2005.....	1045.00
Type 2006.....	965.00

### **MEDIUM AND HEAVIER-DUTY** New BUICK-powered

(STRAIGHT RATING capacities:  
8000 to 18,000 lbs.)

Type 3001.....	\$1530.00
Type 3002.....	1505.00
Type 3003.....	1395.00
Type 3004.....	1570.00
Type 3005.....	1545.00
Type 3006.....	1435.00
Type 3007.....	1620.00
Type 3008.....	1595.00
Type 3009.....	1485.00
Type 4001.....	1885.00
Type 4002.....	1790.00
Type 4003.....	1685.00
Type 4004.....	1920.00
Type 4005.....	1825.00
Type 4006.....	1720.00
Type 4007.....	1935.00
Type 4008.....	1840.00
Type 4009.....	1735.00
Type 4010.....	1960.00
Type 4011.....	1865.00
Type 4012.....	1760.00
Type 5001.....	3215.00
Type 5002.....	3160.00
Type 5003.....	2800.00
Type 5004.....	3265.00
Type 5005.....	3210.00
Type 5006.....	2850.00
Type 5007.....	3280.00
Type 5008.....	3225.00
Type 5009.....	2865.00
Type 5010.....	3315.00
Type 5011.....	3260.00
Type 5012.....	2900.00

### **HEAVIEST DUTY** BIG BRUTE-powered

(STRAIGHT RATING capacities:  
28,000 lbs.)

Type 6001.....	\$4250.00
Type 6002.....	4350.00

Above prices, chassis only, F. O. B.  
Pontiac, Mich.

## **A TRUCK FOR EVERY PURSE AND PURPOSE**

WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING

## Metric System Bill May Be Enacted by Next Congress

DISTRIBUTION AND WAREHOUSING'S  
Washington Bureau,  
1163 National Press Building.

MEMBERS of the House of Representatives committee on coinage, weights and measures are busily engaged in studying the bill which proposes to establish the metric system as the standard of weights and measures for merchandising.

This measure, of vital importance, through its far-reaching effect on all lines of commerce, to the agencies of distribution, will be reported out by the committee at the earliest possible time, and efforts will be made to pass it as soon as possible, committee members indicated.

In view of the press of business and the short time remaining to this short session, it is hardly probable that any definite action on the bill can be secured, although it is possible that the measure will be reported out and debate begun. However, some definite move toward passage is expected during the first regular session of Congress in the new Administration.

The bill as it stands at present sets 1935 as the date when the change from existing standards shall be made, and is greatly restricted in its provisions as compared with the original bills which have repeatedly failed of adoption by Congress. It now specifies three contingencies in which the system must be used, omitting all others.

These classes are as follows:

"(1) For buying or selling goods, wares or merchandise, unless permission to use other weights and measures has been granted by the United States Department of Commerce or by a State department of weights and measures or by an authorized state official.

"(2) For charging or collecting for the transportation of any goods, wares or merchandise, unless permission has been granted to do otherwise by any of the authorities cited above.

"Section 2. Not later than the first day of January, 1935, all postage, excises, duties and customs charged or collected by weight or measure by the Government of the United States of America shall be charged or collected in terms of or according to metric weights and measures."

Opinion back of the bill is known to include a powerful group of State and commercial associations. The provisions which formed the objection of many to the other bills have been eliminated.

It is probable that the provision concerning the date when it takes effect will be extended to ten years from the date when the measure passes. This was intended when the date was incorporated originally in the bill, and forms one of the chief arguments of those favoring it that the people will accept the change readily.

Other objections which have been removed included, according to Representative Fred Britten of Illinois, who in-

troduced the bill, "all land transactions, real estate transactions, sales of farms and farm lands, etc., which of course brought much opposition over the country."

"The present bill," he continued, "is a greatly modified bill, providing for the use of the metric system in commercial transactions alone, and giving the manufacturer and business man ten years in which to make any changes which may be necessary in order to accommodate the desires of this bill."

The bill has the support of much of the warehousing and distribution element of the country, but there is also active opposition among these. The American Warehousemen's Association favors it, but the National Industrial Traffic League is against it, while scores

## Lincoln Listing in Directory

IN the starred listing of the Lincoln Warehouse Corporation, New York City, on page 363 of the 1929 Warehouse Directory, published as part of the January issue of *Distribution and Warehousing*, the line reading "(HHG) 45-55 E. 41st St., Map No. 203, 270,000 sq. ft., fireproof," should be eliminated.

Shipping directions should read as follows:

"Consign all shipments to W. 26th St. station B&O; W. 28th St. station ErieRR; W. 37th St. station PRR; W. 33d St. station NYC; W. 33d St. station West Shore RR; Pier 70, East River, NYNH&H."

For reference purposes throughout the year, owners of the Directory should make the foregoing corrections.

of truckers, wholesalers, warehousing and other associations over the country have lined up on one side or the other.

The National Automobile Chamber of Commerce says: "The metric system can now be used by those desiring it, while the enactment of compulsory legislation would lead to serious confusion and accomplish no good purpose."

On the other hand, proponents of the metric system declare that the ten-year extension of time allowed would be sufficient to eliminate most of the confusion attendant on the change, and that the accuracy and simplicity of the system would more than compensate for the trouble caused by the shift.

—R. S.

There's not another book like the annual Warehouse Directory. It lists all the reliable warehouse firms in the United States and Canada. Consult it—and benefit.

## Warehousemen Now Required to File Reports on Tobacco

DISTRIBUTION AND WAREHOUSING'S  
Washington Bureau,  
1163 National Press Building.

WAREHOUSEMEN and others who store tobacco will be required to report on the amounts of each grade and type held, with the year of production, under the Gilbert bill which passed the Senate in January and became law with the President's signature.

The bill, which passed the House last March, places the responsibility of collecting and publishing these statistics with the Department of Agriculture instead of the Bureau of the Census, a part of the Department of Commerce, which had previously done so.

Penalty for failure to report tobacco statistics or for reporting them inaccurately is set at a fine of not less than \$300 nor more than \$1,000, or imprisonment for not more than one year, or both.

Under the old law it was not required that reports be made on the types, grades and crop years. During hearings on the bill and in debate on the floor it was charged that manufacturers in some instances have held large quantities of tobacco stock too poor for manufacture, and have reported these as stocks on hand in order to keep down the price of new crops of tobacco.

The bill had the support of tobacco cooperative marketing associations and of the Department of Agriculture.

The Department of Agriculture is now authorized to establish standards of tobacco. These standards must be observed by warehousemen, dealers, manufacturers, growers' cooperative associations, brokers, holders and all owners of tobacco except the original grower, who must report on the amounts of each type and group of grades for the past four crop years.

This includes the current crop year, which is to be reported separately as "new crops." The reports must be made as of Jan. 1, April 1, July 1, and Oct. 1 of each year.

—R. S.

## New Jersey Company Buys

The Benton & Holden Moving Co., Elizabeth, N. J., has purchased property at 823-825 East Jersey Street. The firm plans to enlarge the two-story brick garage now on the land and to erect a fireproof building for storage of household goods and pianos.

State highway tunnel route work recently compelled the company to vacate its warehouse at Spring and Flora Streets.

## Woman Joins Scobey Staff

Mrs. George Armistead, prominent in the social life of San Antonio and noted locally for her business ability and experience, has joined the sales staff of the Scobey Fireproof Storage Co., San Antonio, Tex.



BUDD WHEEL CO.,  
Detroit, Mich.

Say, I'll bet that guy that writes  
Your ads never drove a truck. I  
Could tell him more good things about  
Budd Duals than he'll ever know.

*Jacob Morits.*



MISS GRIBBLE! . . . Oh, Miss Gribble! . . . take a letter to Jacob Morits, Cleveland . . . See here, you worm . . . no, scratch that, Miss Gribble. Just say Dear Mr. Morits:

That was a sweet smack you handed me, now wasn't it! You may say I don't know my Bermudas. Now listen!

Maybe you've been reading my mail or something. Anyway I'll take it for granted that you know Budd-Michelin Duals can't wobble all over the macadam. But do you know *why*? Sorry to stall you on that one, Jake, but I thought you

might want to know, so here's why . . .

Ever notice when you take off the outer wheel of a Budd Dual that the inner wheel stays put? Ever notice how it's held there by a *separate* set of nuts? —not depending on the outer wheel squeezing the inner wheel so tight it can't yelp.

That's why, with Budd Duals, the inner wheel never starts doing a little jiggling on the side. That's why Budd Duals never get cussed out for wobble or shimmy!

Never knew *that*, did you, Jake? Well, you know it now. And listen—the next time you have any fireworks to set off, don't come near me with 'em. I explode tolerably easy!

Yours truly,

*M. Wrighter*

## Highway Referendum by National Commerce Chamber

(Concluded from page 37)

highway problems not at present receiving relatively adequate attention are those of getting the farmer out of the mud, and of proper development of the highway systems into and through metropolitan areas.

"Since the advent of the motor vehicle," the committee reports, "the mileage of main traveled roads has greatly increased, and 300,000 miles of such roads have been selected as the State system of rural highways, to be improved to a standard to meet the requirements of this new mode of transportation. In many cases this standard is far above anything dreamed of in the old horse-drawn days. Additional mileage has been improved or selected for high-type improvement by counties and other local units, but, due to obvious financial limitations, this mileage is but an insignificant part of the total 2,600,000 miles under their jurisdiction.

### The Problem Ahead

"For this enormous mileage the problem now and for long periods of years to come will be how to keep roads passable for motor transportation so as to give access to the millions of rural homes and farms involved and at the same time to work toward a more effective system. To do this it will be necessary to select wisely the roads which should be developed as additional routes of heavy traffic, to work out the most effective planning of local feeder roads to connect with the main roads in the best manner to serve the areas affected, and to eliminate from the maintenance program those roads or sections of roads not essential for access to the farms.

"Traffic trends will indicate the roads to be chosen as traffic routes, provided there is the organization to analyze those trends. The same organization should work out which of the lesser roads are to be maintained. Under present conditions local road authorities frequently spread their funds so thinly over the whole road mileage in their efforts to keep it passable that the expenditure accomplishes little lasting good. It has been estimated that in some States 50 per cent of the existing local road mileage, if properly selected, would give all access to farms now provided and would do so better and at less cost."

In the opinion of the committee the need for coordinate planning of highway development in metropolitan areas has been recognized.

"The situation," it is explained, "is materially different from that in rural districts in that land values are higher and with the concentration of population more and better highways can be supported. On the other hand, the traffic demands are much greater, and the problem of equitable distribution of the financial burden as between the various taxing units is complex.

"There is obviously need for concerted effort on the part of the various units making up these metropolitan areas to work out the best development of major highways, so that one community may not on the one hand create a bottle neck by failing to provide its link of a major route, or even block such a potential route by permitting the location of a park, golf course or cemetery in its path; or on the other hand spend undue amounts on a highway not properly located to join up with the highways in adjoining jurisdictions."

Concerning the apportionment of highway costs, the committee believes that the principle of payment of highway costs by road users can, in many States, be extended to cover part or all of the costs of construction as well as maintenance of improved highways.

The committee says that "survey made by the Bureau of Public Roads in cooperation with the highway departments of several States show that on the State highways from 75 to 90 per cent of the passenger vehicles and motor trucks are city-owned. Evidently, therefore, the owners of rural property should be called upon to pay only a small percentage of costs of the highways. Similarly, they should not be called upon to contribute to the cost of a higher type of highway than they need when the justification for the higher type is the large amount of through traffic, which we have seen is mainly that of city-owned vehicles.

"Nevertheless, in one or two States it has been the practice to tax abutting property for the improvement and maintenance of rural roads. The committee is emphatically opposed to this practice, not only from the standpoint of relative benefits but also from that of ability to pay."

### John C. Sanborn Dies

Captain John C. Sanborn, who was the first manager of the Boston Terminal Co., Boston, died on Dec. 26 at the home of his son in Honolulu, Hawaii. He was 86 years old.

It was due to Mr. Sanborn's ability as a railroad man that Boston's South Station terminal was opened successfully on Jan. 1 1899.

Captain Sanborn retired in 1908 after fifty years in railroad service.

### Blaze in Massachusetts Plant

The Connecticut Valley Union Co.'s storage warehouse at South Deerfield, Mass., containing 50 carloads of onions valued at more than \$21,000, the 1920 unsorted tobacco crop of the manager, Donald Campbell, and other stored goods, was destroyed by fire on Jan. 8. The total loss is estimated at about \$115,000.

### New Ohio Firm

The Miami Ice & Storage Co. has been incorporated in Middletown, Ohio, with a capitalization of \$16,000.

## Activities of Executives In and Out of Industry

GEORGE SEBOLD, vice-president and general manager of the Weimar Storage Co., Elizabeth, N. J., and for the past three years president of the New Jersey Furniture Warehousemen's Association, has sold his interests in the Weimar firm to the Weimar family which originally founded the company.

Prior to leaving for Del Monte, Cal., in January to attend the annual convention of the National Furniture Warehousemen's Association, Mr. Sebold had no announcement to make regarding his future plans. Mr. Sebold has served on various N. F. W. A. committees.

Arthur J. Morgan, owner of Morgan & Brothers, household goods warehousemen in New York City, sailed for Cuba in January, accompanied by Mrs. Morgan, to be gone three months. From Cuba they will go to New Orleans and then to Hot Springs, Ark.

Malcolm A. Keyser, president of the M. A. Keyser Fireproof Storage Co., Salt Lake City, Utah, has been elected president of the Utah branch of the Sons of the American Revolution.

George Kindermann, president of Julius Kindermann & Sons, Inc., and Louis Schramm, president of the Chelsea Fireproof Storage Warehouses, Inc., both in New York City, will sail on Feb. 15, accompanied by Mrs. Kindermann and Mrs. Schramm, on a vacation in Bermuda for several weeks.

D. R. Crotsley, vice-president of the Lehigh Warehouse & Transportation Co., Newark, N. J., has been elected president of the Traffic Club of Newark. Mr. Crotsley has long been president of the New Jersey Merchandise Warehousemen's Association.

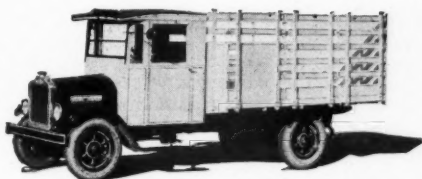
D. L. Tilly, executive vice-president of the New York Dock Co., has been made a member of the board of governors of the Brooklyn Traffic Club.

Herbert F. Gunnison, secretary and treasurer of the Eagle Warehouse & Storage Co., Brooklyn, has with his associates sold the Brooklyn *Daily Eagle*, of which he was the publisher. Mr. Gunnison will, however, continue with the *Eagle* as chairman of the board in an advisory capacity.

Tarrant P. King, president of the Northern Avenue Stores & Dock Corp., Boston, was elected chairman of the Boston Building Owners and Managers Association at the latter's annual meeting on Jan. 7.

## TRUCKS YOU CAN OPERATE AT A PROFIT

# Fisher

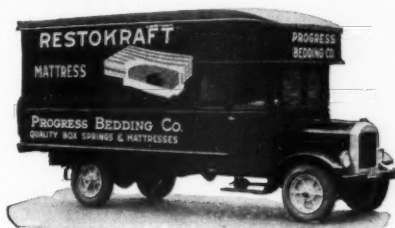


**JUNIOR EXPRESS**

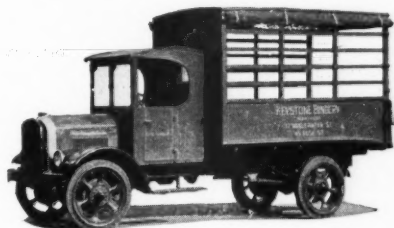
**FAST FREIGHT**

**MERCANTILE EXPRESS**

**HEAVY DUTY SIX**



## 1929



**GIVING TRUCKDOM**

**THE FINEST LINE**

**OF MOTOR TRUCKS**

**FISHER RESOURCES AND  
EXPERIENCE CAN PRODUCE**



**IN FISHER MODELS YOU WILL  
FIND ALL THE QUALITIES AND  
MECHANICAL FEATURES YOU  
HAVE DREAMED OF IN THE  
PERFECT TRUCK**

**Write for franchise details and complete  
descriptive literature**



## STANDARD MOTOR TRUCK CO.

**ALBERT FISHER, President  
DETROIT, MICH.**



Extra Special:  
Read on This Page  
What Andy Murray,  
Scotch Business Mgr.—

# TWO BITS

—Supplied (free)  
When Ye Ed.  
Abandoned Career  
As Bachelor

Vol. IX. No. 8

A Bit Here, A Bit There

Gotham, February, 1929



How the trape-hangers left Ye Ed's office the day he renounced his freedom

IT can now be undisputedly announced that Ye Ed. of *Two Bits* casually entered upon a matrimonial alliance on Jan. 4, as elsewhere recounted in this issue of *DandW*, & 9 days thereafter we & our admittedly better  $\frac{1}{2}$  entrained from Gotham for the storagers' conventions in California—the State where, if Jay Gould, the San Diego storager, is to be believed, the azure skies, jewel-tipped mountains & unsurpassed sunshine ought to provide an elegant setting for what optimists call honeymooning. However we were taking no chances on Jay's say-so so we took our bride to Atlantic City 1st, on a/c that Willard Eldredge, the Atlantic City storager, had boasted to us eloquently about shining sands, cerise skies & foam-kissed waves.

Andy Murray, *Two Bits's* Business Mgr., sort of got the idea that, what with our getting hooked, as the phrase is, we was going to be too occupied to write this Feb. *Two Bits*. But we will say "Not so"—that we are never unaware of our sense of duty to our readers. Hence, our personal spirit as yet

unsubjugated by the marriage yoke, we are writing *Two Bits* as usual, but we will include what Andy has intended to offer you had we not been on the job like as usual. Here is what Andy had intended to offer you:

"Kent B. Stiles, the editor of this column, is on his honeymoon trip, having married Miss Elizabeth Forman Jan. 5th. [Andy was so excited he got date wrong, but Ye Ed. recalls distinctly it was the 4th.] It falls on the Business Manager's shoulders to do the editing of *Two Bits* for Ye Ed. I don't wish to rub it in, but at least for 1 issue under this heading our readers will get some real news mingled with common sense. [The stuff in quotes is what Andy calls common sense, no doubt.]

"For yrs. Kent has been taking a wallop at my Scotch ancestry, so herewith I will present a few facts which I think will disclose the cautious ancestry with which I think our good editor is gifted:

"1st, did our good editor take upon himself a bride during the summertime when he ordinarily obtains a 2 weeks'

vacat'n? No. he reflects his cautious disposit'n by deciding long in advance that it should be in Jan'y just prior to the storagers' convent'ns in California—knowing that this public'n had all intention of sending Ye. Ed. to Del Monte & Los Angeles.

"Well, that's not the  $\frac{1}{2}$  of it. He has panned the Scotch so much that I am wondering if the Scotch have enough money to make amends for their ancestry—who, I have been told, were very tight-fisted.

"So let me say that Ye Ed. was married in Ye B. M.'s house by Ye B. M.'s minister, & Ye Ed. & his bride were fed by Ye B. M., & then, after some buttermilk cocktails supplied by Ye B. M., Ye B. M. drove Ye Ed. & bride in Ye B. M.'s auto to the Penn depot. It was just luck that Ye B. M. didn't have to pay Ye. Ed. & bride's passage to Atlantic City.

"& how Ye Ed. does love buttermilk. Of course that is his business, but on this particular occasion too much buttermilk might make 1 sick.

"Anyhow, after 1 grand time by the few who was present, bride & bridegroom was safely launched on their hazardous [the use of that word is what might be called Scotch optimism] journey.

"Now don't think writing this is fun. *Two Bits* is the hardest darn dept in this good magazine to write. But before Ye B. M. rings off let him suggest a few pointers for Ye Ed.'s friends:

"In the 1st place, Ye Ed. hasn't furnished his, or their, apartment, & knowing as how furniture storagers some times have sales of stuff on which they can't collect storage charges, let Ye B. M. urge some of you to buy in a broom, a mop, a pail, or any darn thing you think he might use, & send it on to him, or them.

"Ye B. M. being Scotch, any duplicates of things which Ye Ed. can't use will immediately be claimed by Ye B. M., who may need them & would take them anyhow, because Ye B. M. feels that Ye Ed. owes him something for the free use of Ye B. m.'s home, minister, buttermilk & auto when Ye Ed. got himself wedded.

"Joking aside, I join with his friends in wishing Ye Merry Ed. & bride a happy & prosperous future.

(Signed) "Andy."

Well, the foregoing in quotes is what Andy had intended to offer you, & personally the 1 redeeming feature of same is his suggestion that storagers should send Ye Ed. & bride some domestic utensils to aid in setting up at house-keeping with after we return from California about mid-Feb.

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## Construction, Removals, Purchases and Changes

### Arizona

**PHOENIX**—Santa Fe Railway Co. has awarded a contract for the construction of a \$60,000 one-story warehouse and freight station, 50 by 300 feet.

### California

**Long Beach**—California Tidewater Terminal Corporation has secured a lease on a 4½-acre tract of land at the harbor as a site for construction of a terminal warehouse to cost in excess of \$1,200,000. Paul R. Watkins is president.

**Los Angeles**—Los Angeles Harbor Commission has awarded a contract for a \$36,000 addition to the storage and transit shed at Berth 174, San Pedro Harbor.

**Pomona**—Ernest Beck and William Beck, operating in the transfer business, have opened a household goods storage warehouse at 1441 W. 2nd Street under the name Beck Bros. The building, fire-proof, has about 100,000 square feet of floor space.

### Canada

**British Columbia, Victoria**—Victoria Cold Storage & Terminal Warehouse Co. has begun construction of a \$150,000 cold storage warehouse and ice plant.

**Ontario, Windsor**—International Ice & Cold Storage Co. is having plans drawn for a \$500,000 three-story addition to its cold storage warehouse.

### Connecticut

**Hartford**—Roger Sherman Transfer Co. has purchased new equipment and plans expansion in operations.

### Florida

**Tampa**—W. L. Blocks Warehouse on Seddon Island suffered slight damage by fire on Dec. 11.

### Illinois

**Chicago**—Anchor Warehouse & Motor Service, Inc., is the new name adopted by the Anchor Motor Service, Inc.

**Chicago**—Chicago Junction Railway Co. is having plans drawn for \$100,000 worth of improvements and extensions in its four-story warehouse and freight building at 15th Place and Western Avenue.

**Chicago**—Erie Railroad Co. has filed plans for the construction of a \$52,000 one-story warehouse and freight station at 1401-1471 S. Clark Street.

**East Peoria**—Toledo, Peoria & Western Railroad Co. is said to be planning a \$25,000 two-story warehouse and freight building.

### Iowa

**Des Moines**—Central Service Co. is planning a \$50,000 one-story and basement cold storage warehouse and ice plant, 50 by 200 feet, at 8th and New York Streets.

### Kansas

**Dodge City**—C. C. Isely heads a proj-

ect to construct and operate a bonded warehouse.

### Kentucky

**Louisville**—Merchants Ice & Cold Storage Co. is remodeling, at a cost of \$3,000, an ice plant at 426 S. 7th Street, in order to give the firm additional office space.

**Madison**—Lindsey Brothers, engaged in the storage and trucking business, have purchased a former tabernacle on North Seminary Street and have converted into headquarters.

### Louisiana

**New Orleans**—New Orleans Dock Board has approved plans for a \$60,000 one-story storage terminal and pier shed at the City Dock.

**Reserve**—Mississippi Warrior Service has approved plans for a terminal warehouse and dock work, including construction of a one-story storage and shed building, 60 by 100 feet, the entire project to cost more than \$100,000.

**Shreveport**—Southern Cities Distributing Co. is planning construction of a \$25,000 one-story warehouse in the Avondale subdivision.

### Massachusetts

**Boston**—Commonwealth Ice & Cold Storage Co. has awarded a contract for a \$55,000 one-story cold storage warehouse at 220 Northern Avenue.

**Boston**—New York, New Haven & Hartford Railroad Co. has awarded a contract for a \$200,000 one-story addition to its warehouse and freight station. The unit will be 60 by 650 feet.

**Malden**—Boston & Maine Railroad Co. has plans for a \$50,000 one-story storage and freight building, 30 by 150 feet, with loading platform.

### Maryland

**Baltimore**—Port Development Commission is completing plans for a \$500,000 one-story warehouse and terminal building at the foot of McComas Street.

### Michigan

**Detroit**—Detroit Union Produce Terminal Co. is planning construction of a \$3,000,000 group of one-story and two-story terminal warehouses, loading docks, yards, etc., at Fort Street and Green Avenue.

**Grand Rapids**—Blodgett Packing & Storage Co. is planning construction of a \$150,000 six-story warehouse, 50 by 125 feet, on State Street.

**Ionia**—Michigan Artificial Ice Co. has begun construction of a \$60,000 addition, 200 by 70 feet, to its cold storage warehouse.

### Missouri

**St. Louis**—Illinois Terminal Co. operating the St. Louis Electric Terminal Railway Co., is planning an expansion program for freight haulage and storage in the business district.

### Nebraska

**Omaha**—Bekins Omaha Van & Storage Co. has filed plans for improvements and alterations in its warehouse.

(Concluded on page 64)

## New Incorporations

### Within the Industry

#### Arkansas

**MAGNOLIA**—Magnolia Warehouse Co. Storage warehouse. Capital not stated. Incorporators, W. A. Boyd and T. S. Grayson.

#### Connecticut

**New Haven**—Congress Ice Products Co. Cold storage warehouse and ice plant. Capital, \$50,000. Incorporators, Andrew Strodel and I. W. Cutler.

#### Illinois

**Chicago**—American Hig-Way Express. To collect and deliver goods, merchandise, parcels, etc. Capital, 50 shares of no par value stock. Incorporators, William W. Peters, George E. Nikolas and Michael E. Nikolas.

**Chicago**—Inland Warehouse Co. Storage and warehouse business. Capital, 2,000 shares of no par value stock. Incorporators, H. B. Hauze, G. Decker and William R. Hauze.

**Sheldon**—J. V. Trucking Co., Inc. To transport freight and passengers. Capital, \$10,000. Incorporators, W. C. Jones, Karl Vieth and Edith M. Jones.

#### Kentucky

**Lexington**—National Warehouse Co. Capitalization, \$30,000. Incorporators, W. O. Kreuger, M. J. Copeland and J. E. Fennell.

#### Louisiana

**Tallulah**—Tallulah Ice & Cold Storage Co. Cold storage warehouse and ice plant. Capital, \$200,000. Incorporators, Maxwell Yerger and George Williamson.

#### Michigan

**Detroit**—Detroit Moving Co. Moving of household goods and furniture. Capital, \$100,000 and 1,100 shares of no par value stock.

**Detroit**—Detroit Union Produce Terminal Co. To construct and operate terminal warehouses. Nominal capital, \$12,000. Incorporators, Stuart S. Lockman, George L. Collins and Claude E. Steiger.

**Lansing**—Heath's Delivery Service, Inc. Storage and trucking. Capital, \$50,000. Incorporators, M. D. Harris and Joseph L. Heath.

#### New Jersey

**Jersey City**—Atlantic Storage Warehouse, Inc. Authorized capital stock, \$30,000, divided into 300 shares of \$100 each par value with \$1,000 subscribed. Incorporators, Clarence A. Ashley, Raymond A. Flynn and Frank Dalton, all of New York City.

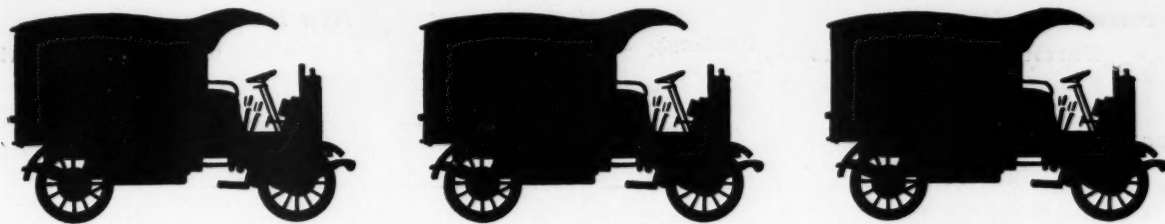
**Orange**—Suburban Storage Co. Storage warehouse, furniture moving, etc. Capital, \$10,000 and 900 shares of no par value stock. Incorporators, Norman L. Beatty, Geoffrey D. Ferguson and Robert E. Tilley.

#### New York

**New York City**—Gramercy Storage Warehouse, Inc. Storage warehouse and

(Concluded on page 64)





# 1 out of 3

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## Construction, Removals, Purchases and Changes

(Concluded from page 62)

### New Jersey

**Elizabeth**—Bayway Terminal Co. is completing plans for a \$200,000 five-story warehouse, 240 by 260 feet.

**Newark**—L. & K. Ice Corporation has completed plans for a \$200,000 cold storage warehouse and ice plant, in three units.

**Newark**—Lafayette Storage Co. has acquired property, 30 by 115 feet, adjoining its warehouse and plans construction of an \$85,000 four-story fireproof addition.

**New Brunswick**—Sisser Bros. of Somerville and Plainfield have filed plans for a \$90,000 five-story warehouse and office branch, 85 by 85 feet, on Livingston Avenue.

### New York

**Buffalo**—Leonard Warehouse, Inc., has plans maturing for a \$130,000 five-story warehouse at 2282-2288 Delaware Avenue.

**Buffalo**—Cleveland & Buffalo Transit Co. has plans for a \$300,000 one-story and two-story terminal warehouse, 136 by 430 feet.

**Elmira**—Market Street Storage suffered an estimated loss of \$300,000 by fire on Dec. 11.

**New Rochelle**—O'Brien's Fireproof Storage Warehouse, Inc., has plans for a \$250,000 four-story addition.

**New York City**—New York Central Railroad Co. has plans in progress for a \$75,000 two-story and four-story storage and distributing warehouse at 851-857 Morris Avenue.

**Richmond Hill**—Anheuser-Busch Ice & Cold Storage Co. has completed plans for a \$160,000 two-story cold storage warehouse and ice plant on 104th Street.

**Yonkers**—J. Watson, architect, is preparing plans for a \$175,000 three-story cold storage warehouse for a company whose name is temporarily withheld.

### North Carolina

**Henderson**—Eastern North Carolina Service Co. has concluded arrangements for purchasing the plant and business of the Henderson Ice & Cold Storage Co. Plans are said to be under consideration for expansion in the cold storage facilities.

**Winston-Salem**—Liberty Storage Co. has taken out a permit to build an \$18,000 one-story warehouse on the Liberty Street Extension.

### Ohio

**Cleveland**—City Ice & Fuel Co. has prepared plans for a storage warehouse, to cost \$60,000, at East 124th Street and Union Avenue.

**Conneaut**—Conneaut Ice & Fuel Co. has plans for a \$25,000 one-story cold storage warehouse and ice plant.

**Toledo**—Toledo Ice & Fuel Co., recently organized with Joseph M. Murphy as president, is projecting plans for two or more cold storage and ice plants in East Toledo and West Toledo.

### Pennsylvania

**Pittsburgh**—Pennsylvania Transfer Co. is completing a \$100,000 fireproof garage which will house eighty-five trucks at one time.

### Rhode Island

**Pawtucket**—Pawtucket Ice Co. has filed plans for a \$35,000 cold storage warehouse and ice plant on Waverly Place.

**Providence**—New England Steamship Co., a subsidiary of the New York, New Haven & Hartford Railroad Co., has filed plans for a \$100,000 warehouse on India Street and a \$30,000 one-story office building.

### Tennessee

**Memphis**—Memphis Bonded Warehouse Co. has plans for an addition to be used primarily for handling freight from barges to railroad cars and estimated to cost about \$140,000. Electric traveling cranes and other material-handling equipment will be installed.

### Texas

**Kemp**—Southern Ice & Utilities Co. has purchased property and plans construction of a \$70,000 one-story cold storage warehouse and ice plant.

**Mercedes**—Central Power & Light Co. is planning construction of a \$75,000 two-story cold storage warehouse.

**Munday**—E. J. Roberts and associates plan construction of a \$35,000 cold storage warehouse and ice plant.

**Texas City**—Texas City Terminal Railway Co. will erect a \$300,000 two-story warehouse to replace a structure destroyed by fire at its pier several months ago.

### Virginia

**Norfolk**—Hampton Roads Transportation Co. has secured permission to operate a motor freight service between Norfolk and Newport News.

**Norfolk**—Jones Cold Storage & Terminal Corporation, recently organized, has taken bids on a \$120,000 six-story cold storage warehouse.

### Washington

**Seattle**—Commissioners of Port of Seattle are considering a new storage warehouse and terminal project at Bell Street and other sites, including an addition to the present cold storage warehouse, at a cost of more than \$1,500,000.

### Wisconsin

**Beloit**—General Refrigeration Co. is considering an addition to its cold storage warehouse and refrigerating plant.

**Rhineland**—Rhineland Refrigerating Co. has begun construction of a one-story cold storage warehouse, 40 by 100 feet.

### Washington Corporation

**St. John**—Empire Warehouse Co. Capital stock, \$3,000. Incorporators, E. W. Schauble, W. J. Schauble and J. A. Feulner, Jr.

## New Incorporations

### Within the Industry

(Concluded from page 62)

van service. Capital, \$10,000. Incorporator, David Wohl.

**New York City**—G. P. Keenan Transfer, Inc. Transfer and express. Capital, 200 shares of no par value stock. Principal incorporator, G. P. Keenan.

### North Carolina

**Drexel**—Union Electric Ice Co. Cold storage warehouse and ice plant. Capital, \$100,000. Incorporators, C. E. Kistler and J. H. Gaston.

### Ohio

**Akron**—Dickson Transfer & Trucking, Inc. Capitalization, \$100,000.

**Alliance**—Alliance-Akron Transit Co. Motor transportation. Initial capital, \$500. Authorized stock issue, 100 shares of \$100 each. Incorporators, D. M. Stanley, Harry Steever and D. H. Armstrong.

**Cincinnati**—Big 3 Storage Co. Capital, \$30,000 preferred stock and 1,000 shares of no par value stock. Incorporators, Dan Donnelly, I. C. Smith and Guy L. Ireland.

**Columbus**—Columbus Warehouses, Inc. Commercial storage and motor transport of freight. F. D. Woolary is president and W. D. Beck is vice-president.

**Middletown**—Miami Ice & Storage Co. Capital, \$16,000. Incorporators, George H. Sebald, C. E. Sebald and G. A. Wilmer.

**Toledo**—Miller Forwarding Co. Capital, 500 shares of no par value stock. Incorporators, Albert H. Miller, Joseph D. Stecher and Thomas J. O'Connor.

**Toledo**—Lake Cities Transportation Co. Hauling, trucking, garage operation. Capital, 250 shares of no par value stock. Incorporators, R. H. Rogers, Eugene D. Straw and N. M. Reimer.

### Pennsylvania

**Pittsburgh**—A. D. Richard Transfer Co. Storage warehouse, trucking, express. Organized by Charles J. Richard and Walter J. Richard.

### South Carolina

**Columbia**—Oliver Warehouse Co. To operate warehouses. Capital stock, \$3,000. Officers, S. K. Oliver, president and treasurer; V. G. Lander, vice-president; James Y. Perry, secretary.

### Tennessee

**Chattanooga**—Highway Express & Transfer Co., Inc. Capital, \$25,000. Incorporators, Russel Johnson, Carmelia Carson, W. E. Wilkerson, W. A. Wilkerson and L. R. Carter.

### Texas

**Bellaire**—Gem Electric Ice Co. Cold storage warehouse and ice plant. Capital, \$25,000. Incorporators, George Sharp and C. I. Anderson.

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